

COMMUNIST REVIEW 6

Central Organ of the
International Bureau for the Revolutionary Party

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**NEW TECHNOLOGY
AND EXPLOITATION**

**GORBACHEV'S
RECONSTRUCTION OF
RUSSIAN CAPITAL**

**GRAMSCI'S CONCEPT
OF HEGEMONY**

CONTENTS

Gorbachev's Russia: The Reconstruction of State Capitalism.....	1
Russian Women Exploited on the Shop Floor.....	11
The New Technologies of Capitalist Exploitation.....	12
Gramsci: Myth and Reality	
Part II: The Concept of Hegemony.....	26
Obituary on Gramsci from Prometeo, 1937.....	33

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SUBSCRIPTIONS:

Communist Review appears twice a year. The annual subscription is £2.00. All cheques and money orders should be made out to the CWO and sent to the London address.

GORBACHEV'S RUSSIA : THE RECONSTRUCTION OF STATE CAPITALISM

Events in the USSR over the last couple of years have caused wide interest and speculation in all political camps. The already-dubbed "Gorbachev era" has seen developments, especially the loosening of cultural and political constraints, and the attendant political liberalisation or "glasnost", which took many by surprise. Following upon this have been the various plans for the reconstruction - or perestroika - of the soviet economy, with their departures from previous methods more commonly denoted as "Stalinist".

All these moves - which we examine in detail below - have caused a mixture of consternation, confusion and acclaim in the various political strands outwith the communist camp. For the western bourgeoisie, for example, the view that Gorbachev's reforms should be welcomed as the confirmation that "communism has failed", co-exists uneasily with the fear that the same reforms may make the enemy super-power more efficient and effective. Within the Stalinist and Trotskyist orbits a similar confusion reigns. There are those that argue that Gorbachev is undermining the gains of "socialism", or of the "degenerated workers' state", and leading Russia towards capitalism; just as there exists within the same constellation of confusionists those who feel that he is "humanising" the system and leading it towards a bright communist future. Doubtless over the next few years, as the delineation of Gorbachev's policies becomes clearer, and as his successes or failures become more evident, a clearer consensus will emerge in the camp of the western bourgeoisie and within leftism on the meaning of the "Gorbachev era".

For communists, however, matters are simpler. For many years we have been predicting - just as we predicted the crisis which ravaged western capitalism in the 1970s - the crisis of a social

system which we have long analysed as state capitalism. For us, Gorbachev is the personification of the crisis of state capitalism, and an attempt to find a solution to that crisis. Since much of the work we have dedicated to the issue of state capitalism is now dated or unavailable, we have chosen to precede this survey of Gorbachev's reforms by a re-statement of the basic communist position on the issue of state capitalism.

THE CLASS NATURE OF RUSSIAN SOCIETY

The question of the class nature of the society produced by the failure of the Russian Revolution is one which has rightly occupied the attention of communists for the past half century. The confusion which exists today on the issue of state capitalism, and the equation of nationalisation with socialism is, as so often occurs in periods of counter-revolution, a clarity lost. Until the defeat of the Russian Revolution, a defeat not caused by military conquest but by isolation, there was no problem of "state capitalism" and the revolutionary Marxist position towards it. As early as the 1870s, when Bismarck was nationalising sections of the German economy in the interests of Prussian militarism, Engels stated unequivocally:

"But the transformation, either into joint stock companies, or into state ownership, does not do away with the capitalistic nature of the productive forces. The modern state, no matter what its form, is essentially a capitalist machine, the ideal personification of total national capital. The workers remain wage labourers, proletarians. The capitalist relation is not done away with... But of late, since Bismarck went in for state ownership of industrial establishments, a kind of

spurious socialism has arisen. If Bismarck took over for the state the chief Prussian railways simply to be able to have them better in hand in case of war, and especially to create for himself a new source of income, independent of parliamentary votes, this was in no sense a socialist measure." (Anti-Duhring pp. 329-30)

This view was that of the entire Second International, and especially of its revolutionary left-wing components. It might be argued that there is a difference between the state owning a few enterprises in a dominantly private economy, and the state being the principal owner of the means of production, a dialectical leap from quantity to quality. However, during the First World War, many revolutionaries were to argue that this was not so, most notably Bukharin:

"The capitalist mode of production is based on the monopoly of production in the hands of the capitalists within the framework of commodity exchange. There is no difference in principle whether the state power is a direct expression of this monopoly or whether its privately organised. In either case there remains a commodity economy (in the first place the world market) and, what is more important, the class relations between the proletariat and the bourgeoisie." (Imperialism and World Economy, 1915, p.157. - CWO emphasis)

The subsequent confusion about state capitalism has arisen from its growth out of the isolation and defeat of a genuine proletarian revolution. With the failure of the revolutionary wave in Europe after World War One, it was impossible for the Bolsheviks to create an island of socialism in the isolated and shattered Russian economy, since, as Marx had already pointed out, the co-operation of the workers in several of the advanced countries taken together was necessary for socialist construction to be initiated.

Initially no one in Russia portrayed the mixture of outright state capitalism and private commodity exchange (NEP), which characterised the Russian economy, as "socialist". But as time passed and isolation deepened, the tendency to portray the economy of the USSR as on the way to socialism, or as already socialist, intensified.

The former idea, that Russia was a "transitional" society between capitalism and socialism, is the basis of the position of the Trotskyist current on

the Soviet Union. At first, Trotsky's argument that Russia was not capitalist was based on the fact that a proletarian party - the Bolsheviks - held power. But as the consolidation of Stalinism made this too embarrassing to maintain, Trotsky reversed his defence of the USSR from a political to an economic basis, conveniently forgetting that the very measures he used as criteria had been introduced by the Stalinists he had denounced:

"The nationalisation of the land, the means of industrial production, transport and together with the monopoly of foreign trade constitute the basis of the Soviet social structure. Through these relations, established by a proletarian revolution, the nature of the Soviet Union as a proletarian state is for us basically defined." (Revolution Betrayed, p.235)

In Trotsky's view Russia was transitional because, although the relations of production were proletarian, the relations of distribution were bourgeois or "fascist". That there is nothing necessarily proletarian about nationalised relations of production we have already shown. The latter divorce between production and distribution tears the heart out of Marxism which argues,

"The relations and modes of distribution thus appear merely as the obverse of the relations of production. The structure of distribution is completely determined by structure of production." (Marx, Grundrisse, p.95)

Trotsky argued that the bureaucracy was intent on preventing the transition to socialism (or even restoring capitalism) to preserve its privileges (the fact that it was the same bureaucracy which had created the "proletarian basis of the state" was forgotten!). But although parasitic and restorationist, Trotsky argued that the Stalinist bureaucracy was not a class since it was not hereditary, nor did it own, individually or collectively, the means of production. But a ruling class is not simplistically defined by its hereditary ownership of the means of production, but via its collective ability to dispose of the surplus product of the exploited classes. The bishops, abbots etc in Medieval Europe disposed of church prosperity (for Stalinism, read state prosperity) and supervised the exploitation of the serfs by virtue of their office, just as did the hereditary feudal lords. Similarly, the bureaucracy of Oriental Despotism societies disposed of the surplus of the exploited, without

their positions being hereditary. In each case a part of the social surplus served the consumption needs of the overseers of exploitation. Can we argue that there were no classes in oriental despotism, or that the Church was exempt from feudal exploitation (despite often owning the majority of the land) which only occurred on private demesnes? A class is not determined by its mode of recruitment, or by legal property relations, but by its position and function in the process of production. The state bureaucracy, or state bourgeoisie, in Russia is thus a ruling class.

While Trotsky was arguing that Russia was "transitional" to socialism, a view echoed by his followers such as Mandel today, Stalin was advancing the idea that Russia had already reached socialism due to state planning and the industrialisation associated with the 5-year plans. This, of course, involved a rupture with Marx's view which Stalin openly admitted (though having to distort Lenin in the process),

"Lenin, proceeding from Marxist theory, came to the conclusion that...the socialist revolution could prove victorious in one country taken separately... the old formula of Marx and Engels no longer corresponded to the new historical conditions." (Marxism and the problem of Linguistics, p.47)

The arguments of Stalinism, that Russia is socialist are based on the ideas that property is statified, that the law of value does not regulate production, that commodity exchange has been abolished, and that production is centrally planned and not determined by "market forces":

"Totally incorrect too is the assertion that under our present economic system ... the law of value regulates the proportions of labour among the various branches of production... If this were true it would be incomprehensible why our light industries, which are the most profitable, are not being developed to the utmost, and why preference is given to heavy industries, which are often less profitable, and sometimes altogether unprofitable." (Stalin Economic Problems of Socialism in the USSR)

But this situation exists in all capitalist countries in the epoch of decadence, where the state carries out investment in the non-profitable, highly capitalised heavy industrial sectors of the economy through nationalisation or state-financed re-organisation which is paid for by taxation of the still profitable sectors of capitalism. If this means

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that the law of value is ceasing to operate, then the western economies too are moving towards socialism!

Another Stalinist argument is that the Russian economy is socialist since commodity production has been abolished, or rather has been limited to personal consumption,

"Consequently, our form of commodity production is not of the ordinary type, but is a special type of commodity production without capitalists... the sphere of which is confined to personal consumption."
(Stalin, Economic Problems)

By not denying that agriculture, foreign trade and personal consumption involve commodity production, we are already dealing with about 40% of Soviet output! The key to the argument is that the bulk of the output of Department 1 (means of production) are not bought and sold on the market, but exchanged at the level of book-keeping at prices fixed by the state. But again this would imply that similar tendencies under western capitalism are steps towards the abolition of commodity production. Does the mining of their own coal by US steel firms abolish commodity production? In what way does the state-fixed price for state electricity paid by state railways in Britain abolish commodity production? In any case, the whole capitalist market could (and, indeed, has largely done so during world wars) disappear without abolishing capitalism. The market relation between capital and labour is the only capitalist relation per se:

"Thus capital pre-supposes wage labour: wage labour pre-supposes capital. They reciprocally condition the existence of each other, they reciprocally bring each other forth." (Marx, Wage Labour and Capital (Selected Works, Vol.1, p.92)

The analysis of the nature of Russia cannot begin from issues such as the sphere of circulation, but from the process of production. The capitalist nature of Russia is defined by the commodity character of labour power, and the accumulation of capital based on the extraction of surplus value. The Russian producers are wage labourers, and despite attempts at wage fixing and forced labour, wage labour has never been other than a commodity in the USSR.

Having avoided the pitfalls of empiricism and impressionism by preceding our discussion of the "Gorbachev Revolution" by an analysis of the class

nature of the USSR, we can now proceed to locate his plans for reconstruction within the overall dynamic of state capitalism and its crisis.

THE CRISIS OF STATE CAPITALISM

In carrying out the industrialisation of Russia on state capitalist lines, Stalin had certain unique advantages. Russia was already the world's 5th industrial power in 1914, and this foot on the ladder, combined with limitless and cheap resources of labour and raw materials and centralised planning of accumulation, meant that between 1929-39 Russia moved from 5th to 2nd equal with Germany in the ranks of the world's industrial powers. Today, with 20% of the world's industrial output, the Soviet Union retains its second place behind the USA which accounts for about 40% of world output. However, in the areas of heavy industry, raw materials extraction, armaments and space technology, Soviet output is on a par with that of the USA. It is in the areas of light industry, consumer goods and agriculture that the gap is most marked.

This necessary concentration on heavy industry in the retarded industrialisation of the USSR, resulted in a very high organic composition of capital - i.e. the ratio between living (labour power) and dead (capital) labour. This rise in organic composition of capital is reflected in the following table:

	1913	1932	1950	1959
DEPT 1 (%)	33	53	69	73
DEPT 2 (%)	67	47	31	27

(Source: T.Cliff, Russia: a Marxist Analysis, p.291)

This is not the place to once again demonstrate, only to re-assert, that the rise in organic composition of capital is at the root of the Marxist law of the falling rate of profit. Since, for us, Russia is state capitalist, the same law must be at the centre of the Soviet economic development, as it is in the west, although the phenomenal form it takes will naturally differ. Or, as Marx put it,

"Hence it is evident that the material productive power already present, already worked out, existing in the form of fixed capital..that the development of the productive forces brought about by the historical development of capitalism itself, when it reaches a certain point,

suspends the self-realisation of capital, instead of positing it." (Grundrisse, p.749)

Since the Russian economic statistics have not recorded - at least hitherto - figures on the rate of profit or "social surplus", we have to look elsewhere for the outward expression of the falling rate of profit. These, as in the west, are reflected in a fall in growth rates.

RUSSEAN INDUSTRIAL PRODUCTION (% change per annum)

1950-55	13.0	1965-68	8.9
1955-59	10.0	1968-70	7.4
1960-65	8.6	1970-72	7.1

While these figures are very high by western standards (the growth rate in output and productivity in the USSR has been twice that of the USA in the same period), the downward trend is obvious. With increasing difficulty in generating a sufficient mass of profit from the swollen organic composition of capital at home, the USSR turned onto the world market in the 1970s and 1980s. At this time the Soviet Union tried to cream off extra-profit from the west by selling its huge reserves of oil, gas and coal at a time when commodity prices soared due to the inflation of the 1970s. However, the collapse in commodity prices with the recession in the west from the late 1970s has put paid to this scheme and sharply cut earnings from raw materials exports which account for 65% of Soviet export earnings. We should be clear that, unlike those who claim the USSR has imported an economic crisis by becoming involved on the world market, the CWO, proceeding from value analysis, argues that it was the internal crisis that drove the USSR onto the world market in the first place.

Since then, things have gone from bad to worse as export earnings declined and debts due to the import of western machinery and equipment mounted up. In 1979 the growth rate of industrial output fell to 3.4%, the worst in 50 years, and in the 1980s it had bounced along in the basement area of 2-3% per annum. Soviet growth was thus not "planned" by the Kremlin bureaucrats (whose targets for these years were 5-6% growth, but by world capitalism via the prices of raw materials on the world market. Growth rates in the early 1980s were also held down by the increase in tension with the USA after Reagan's election victory, and the need to increase resources for the unproductive military sector. Although not as high a proportion of the Soviet GNP as is claimed by the CIA (who estimate 15%) since about 40% of Soviet military output, which is from factories

directly controlled by the Armed Forces, is for the civilian market - nevertheless the arms burden still probably accounts for 10% of GNP, a burden the USSR finds difficult to bear.

Added to these problems was the ever-recurring problem of agricultural output due to the under-mechanisation of the rural sector. Even making allowances for the capricious Soviet weather, this sector was in crisis, requiring the purchase of massive quantities of grain on the world market with scarce reserves of foreign currency.

SOVIET GRAIN HARVEST (in millions of tons)

1975	1976	1977	1978	1979
140	224	196	235	179

(Source: Lloyds Bank Review, Economic Report:USSR, 1980, p.16)

Then in 1982 the harvest fell to 160 million tons, requiring the purchase abroad of 46 million tons of grain. (Interestingly, Gorbachev was the Central Committee's Secretary for Agriculture at this period of disaster!) With the failure of the attempt to fund accumulation via a break-out onto the world market, other measures had to be sought. The Soviet leadership is now in the position of the western bourgeoisie 10-15 years ago - at a fairly early stage of the economic crisis, but with the various palliatives tried and failed. Now, as we said some years ago,

"This leaves the USSR the choice of increasing debt (like Poland), increasing stagnation... or further increases in the exploitation of the working class. All have incalculable dangers for the bureaucracy. The Soviet rulers will try every option before they confront the massive and undefeated Soviet working class." ("Theories of State Capitalism" in Revolutionary Perspectives 19, p.29)

In the 1970s, efforts to raise productivity were largely carried out by exhortation:

"Raising the efficiency of production, reducing costs and increasing the productivity of labour is the path we must follow in order to increase profits." (Kosygin Pravda 7.4.71)

"..faults which are particularly intolerable are those of wastage of labour time, irregularity in the pace of work,

lack of discipline in work, and large turn over of personnel in enterprises." (Brezhnev, Pravda 2.3.76)

But these measures produced little more than a productivity growth of 2% per annum in the 1970s and more was needed, from which the then leadership shied away. Memories of the nationwide strike in 1962 against piece work and food price rises, culminating in the march of 11,000 railway workers on Party headquarters in Novochoerkassk, and of the mass factory occupations in 1972 at Dnepropetrovsk, which had to be broken up by the army, stayed the hand of the bureaucracy. The economic figures from the early 1980s were so bad, however, that the time was ripe for the emergence of a new current in the Soviet ruling class which would directly confront the problems of capital accumulation: its representative has been Mikhail Gorbachev.

THE RECONSTRUCTION OF CAPITALIST EXPLOITATION

As it was getting under way, we greeted the "Gorbachev Revolution" in the following terms, which we make no apology for repeating today:

"History is repeating itself again. Over a hundred years ago, Czar Alexander II abolished serfdom in Russia, relaxed censorship and began to modernise the feudal regime, to a chorus of approval from western critics of Russian "despotism", echoed by exiles such as Herzen. Today we have the "czar" Gorbachev announcing a programme of "openness" and "reconstruction" in the Soviet Union, approved by all from the liberal Guardian to the prehistoric right in the Sunday Post. And in the shape of Sakharov, the new Czar even has his Herzen, the erstwhile critic returned to the fold...

Communists should, however, make it clear what the Gorbachev "revolution" is about. It is not an attempt to give communism a human face, nor is it a sign that "communism" has failed. Rather it is an attempt by a faction of the Soviet ruling class to improve the competitiveness of Russian state capitalism, and its position in the geo-politics of imperialism." ("Gorbachev - the new "Czar Liberator" in Workers Voice 34, p.7)

On the domestic front the key problem is seen as the performance of the economy and its need for reconstruction or "perestroika". Allied to this is the campaign against corruption and for

openness - "glasnost" - in public life. In reality these policies are related since the target in both cases is the bureaucracy, seen as both corrupt and inefficient and a fetter on economic growth. Unlike all previous rulers of the Soviet Union, Gorbachev appears to be attempting to base his power on the managerial and intellectual, rather than the bureaucratic, strata.

With its huge resources of raw materials and cheap labour, Russia was well suited to succeed in the 1970s in the export of raw materials and energy products. The collapse of these markets leaves the option of switching to the export of manufactured goods, but this is more difficult than at first sight. Traditionally producing for a captive, protected market in East Europe, Russian manufactures were usually cheap in price but poor in quality. This was not so much because of the supposed "technological backwardness" of the USSR (Licensintorg, the USSR patents consultants, sold the USA five times more technology licenses 1980-85 than the USA sold to the USSR). Rather, the huge needs of defence, space and energy extraction swallowed up most of Russia's scientific and technological resources, leaving manufacturing industry (and agriculture) as the cinderellas.

Gorbachev's stated aim is to establish the USSR as a major export manufacturer of finished goods, which at present account for only 8% of exports to the non Soviet bloc (largely cars, radios, photographic and optical equipment). This implies both an increase in the quantity (a target of 25% in the current 5-year plan) and the quality of manufactured goods. As a first step, Gorbachev has invited western firms to tender to build joint owned projects with the Russian government, inside Russia, on a profit-sharing basis. Unlike previous ventures which involved foreign firms such as the FIAT works at Togliattigrad which produced largely for the internal market, the new ventures are aimed at export. At present, agreement has been reached on the setting up of 20 such joint ventures, where the fruits of the exploitation of Soviet labour-power will be shared between international capitalism and the Russian state. With low wages and a profit tax at 30% such ventures should be attractive to western capitalists.

In order to further increase foreign trade, combinations of production units have been given the right to trade directly onto the world market, without operating through the traditional monopoly of the Ministry of Foreign Trade. 75 of these

combines - such as the URALMASH heavy engineering combine - can buy and sell on the world market any goods produced above the requirements of the state outlined in the plan, and use the profits accruing as they see fit, for investment or consumption. These measures are closely modelled on the "Kombinat" system introduced in the 1970s in East Germany.

The industrialisation of the Soviet Union was centred on products such as steel, coal, oil for which the simple indexes of weight or volume were a guide to industrial output: so many tons of coal, so many thousand railway lines, etc. This guide to output has also traditionally been applied to the rest of industry. Managers and workers are paid by volume of output, that is equalling or exceeding the planned target for goods on a monthly basis - so many thousand televisions, so many yards of cloth. This led to the situation described by a worker in a Lithuanian television factory:

"We never use a screwdriver in the last week of the month. We hammer screws in. We slam solder on the connections, cannibalise parts from other TVs, use glue to fix switches never meant for that model. And all the time management is pressing us to work faster, to meet our targets so we all get our bonuses." Martin Walker, "The Waking Giant: the Soviet Union under Gorbachev", p.42

One of the first economic reforms introduced by Gorbachev was the introduction of a state system of quality control, replacing ineffective traditional plant-based checks. (An inspiration was the quality control system imposed by the Army in the military plants.) The effects of this have been dramatic. As Soviet Weekly (14.3.87) tells us, at a factory in Tyumen in Siberia producing mineral spreaders, workers' wages were cut by one-third as the new checks rejected 70% of their output - a figure later reduced to 20%. The paper continues,

"On January 1st quality control inspection was begun in 1,000 Soviet factories. In a number of cases the tightening up of quality control measures has resulted in a failure to meet production targets and a consequent drop in workers' earnings."

In the factories of Uzbekistan 73% of goods were rejected, and 71% in Kirghizia, and 61% in Moldavia. The impossibility of workers meeting both production targets and quality control checks

led to widespread reductions in bonuses and sometimes a fall in pay of 50%. Naturally there were reactions to this - so-called "work stoppages" which, in the new atmosphere of "glasnost" were reported in the Soviet press. Soviet Weekly (3.10.87) reported the strike by bus drivers at the city of Chekhov, when bonuses were tied to work schedules. As one driver, whose monthly wage had been cut by about 50 roubles (about £50), complained,

"How can they (work schedules) be fulfilled when most of our buses look like tanks after a battle? Their average age is that of my grandmother. First one part goes wrong and then another."

Parallel to this has been the attempt to improve labour discipline, with crack-downs on absenteeism, and especially against alcohol abuse, probably the biggest factor contributing to bad work and industrial accidents as well as absence through illness. However, all the above measures are simply part of the attempt to "restructure" the economy. Gorbachev, and his economic advisers, among whom the leader is Aganbegyan, believe that not only is the production system in need of overhaul, but also the distribution mechanism, or the Soviet market. As Gorbachev himself put it in his Political Report of the Central Committee to the 27th Congress of the CPSU in February 1986,

"Prices must be made more flexible. Price levels must be linked with the cost of production and also consumer demand. It is high time to put an end to ministries exerting petty tutelage over industrial enterprises (who) should be given the right to sell to one another - or to the population - what they produce over and above the plan. It is essential that wages should correspond strictly to the quality and quantity of work done.

Enterprises are wholly responsible for operating without losses, while the state does not bear any responsibility for their debts...losses should affect the income of each member of the collective.

We shall transfer to enterprises genuine cost accounting, and self financing." (Martin Walker, The Waking Giant, pp51-2)

Such measures require a firm control over labour costs; to avoid the bankruptcy implied by self-accounting, enterprises will need to either lay-off labour or increase productivity, or introduce a combination of both. Following on the

heels of the quality control system which cut wages, the introduction of increased productivity and "temporary" unemployment can only further fuel working class discontent.

But radical though Gorbachev's proposals are in their willingness to confront the living standards of the Soviet working class, who are being offered "jam tomorrow" if they support the reforms, his most radical proposal for improving the efficiency of the Soviet economy is that for reducing subsidies on the basic commodities and utilities of life. By western standards these are amazingly cheap. A rouble (1) will buy 5 kilos of bread, or 10 of potatoes. Average rents are 10 roubles a month including heating and public transport costs a few pence for the longest city journey. The total cost of food subsidies alone is 55 million roubles a year. Aganbegyan favours the abolition of subsidies, but Gorbachev - probably with the experience of Poland in mind - has argued for a gradual reduction in subsidies, since these are inseparable from "cost accounting" methods. The manager of the Moscow metro could never show a positive balance sheet if fares are fixed at 5 kopecks. The result of a reduction in subsidies must be a lowering of living standards, although Gorbachev has promised that in due course when Russia's consumer goods sector has been "reconstructed" there will be an abundant supply of consumer goods at greatly reduced prices (at present the average car costs 10,000, a standard camera 200). But the path to this consumerist paradise of the future passes through the purgatory of higher prices on basic goods, greater productivity, lower wages and "temporary" unemployment - i.e. Russian state capitalism re-structures on the backs of the Soviet proletariat.

In an attempt to win mass support for the programme of reconstruction, Gorbachev has embarked on a campaign against "corruption" and "abuses of power". The chief of the Ukrainian KGB was arrested on charges of fabricating charges, illegal arrests and protection of lawbreakers. The Party boss in Alma Ata was removed on charges of "tribalism" - i.e. corruption on a scale that would stagger even the Mafia. By such means Gorbachev hopes to break the resistance of the bureaucracy to his reforms, and to appeal for popular support.

In addition to these measures the impact of the reforms on the working class is being accompanied by efforts to "democratise" the work place and the trade unions. Elections to union posts have been

thrown open, replacing the old system of appointments from above and unions have been "encouraged" to take up workers' grievances. This reflects the real need perceived by Gorbachev to have a safety-valve for workers' discontent in the difficult period ahead, and to try and head off any attempt by the class to form its own autonomous organisations.

The extension of democracy also has as its objective the attempt to link the workers directly to the reform process by the election of factory managers from the shop floor. After the widely publicised experiment in shop floor "democracy" at the Yelgava minibus plant in Latvia, this has spread on a national basis. Such elections are useful in giving an illusion of participation in the decision-making process, but more in allowing the state to argue to the class that the effects of the reforms are necessary in order to increase living standards in the long run. This was indicated in the response of a workers who voted for the victor in the Riga plant,

"Bossert has taken the right line. The first thing to do is to improve performance. If we produce top quality minibuses, then we'll have everything we need - including a holiday home on the Black Sea." (Soviet Weekly 27.6.87)

After years of Stalinism, one should not underestimate the appeal of "democratic" promises to the Russian working class, and of how this will be an obstacle in their path in the struggle against paying for the crisis of state capitalism.

Just as Gorbachev's campaign for democracy is linked to his attempts to "restructure" the Russian economy, so too are the foreign policy initiatives that he has undertaken. We do not intend in this text to enter into a discussion of Gorbachev's various initiatives in foreign policy and their likelihood of success. Gorbachev has earned himself the epithet of a realist and a man of peace by his efforts to heal the "open wound" of the conflict in Afghanistan, by calling for a cease fire and the formation of a coalition between Moscow's allies and the Muslim guerrillas; for his efforts to "normalise" relations between Russia and China by well-publicised troop reductions on the border, and by opening the possibility of negotiations on the disputed border itself and on Soviet backing for Vietnam's intervention in Kampuchea. But by his spectacular moves in proclaiming a unilateral nuclear test ban, in offering the double zero option of the removal of all medium range missiles from Europe,

which resulted in the propaganda success of the INF Treaty, and the further offer to cut nuclear arsenals by 50% by 1990 and abolish them by the century's end has led to the situation where most Europeans regard the "enemy" (Russia) as less of a threat to peace than their "ally" (America).

We leave aside the unanswerable psychological issue of whether Gorbachev really believes in his Utopian schemes for disarmament, or whether they are simply skillful propaganda moves. But the material dynamic - at a time when war is not on the immediate agenda, as it seemed in the early 1980s - of the USSR economy forces Gorbachev to seek reduction in the arms budget and to devote resources to civilian spending. The reductions achieved so far are puny - 4% of all nuclear weapons - and apart from symbolic scrapping of obsolete weapons further cuts are extremely unlikely. But what Gorbachev has, for the moment, achieved is the lessening of the risk of a new arms race and of an increase in the arms burden which grew steadily from the early 1970s. And that in itself he will regard as a success.

RESULTS AND PROSPECTS

The Western bourgeoisie is at the moment disoriented by Gorbachev. There are those who welcome his reforms as signalling the "end of communism" and the beginnings of a global Pax Americana where the USSR becomes a client state for Western imperialism, and ceases to threaten the worldwide interests (e.g. in Africa and Asia), which expands them by "opening up" Eastern Europe as the US has sought since 1945.

On the other hand, there is a section of the Western ruling class which sees the Gorbachev revolution as a "communist plot" to delude the West into thinking that the Russians are nice guys, and to improve Russia's position to engage in competition on a worldwide scale with the USA, due to improved economic performance and reduction of tension with China, Europe etc.

Since, despite any momentary fluctuations of the balance of variations in tension between the superpowers, the laws of the capitalist economy cannot be overcome, we can say that Gorbachev's revolution is an attempt to improve the long-term position of the USSR against the USA and its allies, but that in the short-term this may require Russia to abandon the "adventurism" of the 1970s in Africa (Ethiopia, Angola) and South Asia (Bangladesh etc.), in order to gain a breathing space to build up its long term strength.


For communist there are other issues which require analysis. We have seen in the West a widespread retreat from the methods associated with "state capitalist planning" in the 1980s (privatisations, reductions of subsidies to loss making industries etc.). Is the Soviet Union about to move from a state capitalist to a private, market economy? The answer is no. It is true that in Russia and elsewhere in the Soviet bloc private enterprise is being allowed, with individual or family labour, and that co-operatives employing several people are also being legalised. But one should put this into perspective - these operations are limited to the service, retail sector (e.g. restaurants, hairdressing etc) in order to improve low standards there, and also are envisaged to amount to less than 5% of total Soviet economic activity. While it is also true that industrial enterprises are also being allowed to trade on the domestic and world market, this too must be understood in context. Firstly, such trade is within the framework of central control, and only after fulfilment of the plan can such surpluses be

REVOLUTIONARY PERSPECTIVES

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23



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disposed. Secondly, despite schemes of "profit sharing" and so on, the ownership of production units, in industry or agriculture, is not being transferred, either to private individuals (managers) or to collective individuals (i.e. the work force). Even in foreign investment - which the state will ensure remains a "stop gap" substitute to the domestic economy - state ownership of the joint venture is at a 51% minimum. What we thus see is not the abandonment of state capitalism, but a more flexible state capitalist economy where ancillary planets of "free trade" (foreign capital, co-operatives etc) circulate round the dominant central core of state ownership and control. As was stated by Dmitri Tulayev in Soviet Weekly (3.10.87),

"The current radical reform of the management machinery does not abolish the foundation of public ownership of the means of production. Under no circumstances will they go private.

The law restricts individual enterprise to the efforts of an operator or those of a co-operative, precluding hired labour ... Individual enterprise is limited to goods and services not found in the public sector."

The next question is, of course, how far Gorbachev's reforms are likely to succeed. Naturally, in the long term no amount of perestroika or glasnost will overcome the falling rate of profit and Russia's associated problems. On the other hand, the crisis in Russia is still at a fairly early stage, compared with that in the west, and there is a lot of "slack" to be taken up before options are exhausted. In the 1970s Russia's growth rates were still twice the western average, and equal to Japan's. Even in the crisis years of the early and mid 1980s, the Russian growth rate of 2-3% was greater than that of any major western power. In these years Russia largely caught up with the USA in military capacity, by-passed it in space technology, and could carry out the biggest construction projects in the world since 1945 - the Baikal railway and the Urengoy gas pipeline to Europe. The Russian economy is slowing down, but it is not near collapse. And unlike Poland and Rumania, the USSR has had no problem so far servicing its debts to the West, which are large in absolute terms, but low per capita, or in relation to export earnings.

The initial impact of Gorbachev's reforms has been modest - in 1985-6 growth in industry reached 4% per annum for the first time in the 1980s. In

addition, incentives and good weather brought the grain harvest in those two years to 200-250 million tons - the first time that figure had been achieved two years in a row, and largely eliminating the need for imports. But the growth rates in industry are still below the plan target of 5-6% per annum, which is the figure needed to achieve the object of doubling soviet economic output 1985-2000. Nevertheless, there is at the moment an undoubted "honeymoon" period in the USSR, where Gorbachev is riding high on the wave of his foreign policy and domestic success.

But what of the future? The Soviet elite is divided about Gorbachev. He is supported by the managers and by the intelligentsia, and opposed by the bureaucracy. The army occupies a middle role, uncertain, especially about his foreign policy. Gorbachev needs success. Failure, whether in foreign policy, or in his economic objectives, or in an upsurge of class struggle as perestroika bites, would make his position difficult. The forces opposed to him are at the moment confused and disunited, but the emergence of the Soviet working class onto the social stage could give them cohesion. Everything hinges on the progress of the economic reform and the response of the proletariat to it. Through this struggle the Russian working class could gain the experience necessary to add its strength and high level of general culture to take up the battle for a revolutionary communist future.

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THE ECONOMIC FOUNDATIONS OF

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Russian women

'exploited on the shop floor'

INTRODUCTION

We reproduce below an article published in The Guardian, 23 January 1988. This article clearly exposes the lie behind the much-vaunted "women's equality" in the Soviet Union. In the Soviet Union, as in every other capitalist country, women who work do so on average in less skilled occupations and worse conditions than their male counterparts. The article also shows what 'glasnost' means for women workers - far from aiming to improve conditions to be compatible with health, safety and childrearing, Gorbachev advocates an end to lip service to women's equality and a return to the kitchen sink, whence they were forced years ago by the need to earn a living. We may be sure that he is less concerned with enabling women to return to their "purely womanly mission" than he is with disguising the mass employment engendered by the changing demands of capital.

From Martin Walker in Moscow

A devastating and unique attack on the exploitation of women in Soviet factories, published yesterday, claims that deafness, birth defects and later juvenile delinquency among their children is an occupational hazard for female textile workers.

Conditions in the vast Ivanovo textile complex are described in terms which recall the blackest early days of the Industrial Revolution.

"The majority of factories were built before the revolution and underwent practically no modification since. There are no shower rooms, endless queues for the few lavatories. The machines are so noisy that they exceed the legal maximum by dozens of times, hence the occupational disease of chronic hearing loss, which affects 80 per cent of the women.

"The noise affects the women's nervous system, leads to memory loss and insomnia," Sotsialisticheskaya Industriya reported.

The report deals a series of body blows to many of the cherished myths about the equality of women, the lot of workers, and the responsibility of doctors and trade unions in

mitted by children of night shift mothers.

The report claims the factory managements had little choice but to exploit the women and ignore their health and safety, because the structure of Soviet industry was rigidly designed to reward only raw production.

The newspaper, Sotsialisticheskaya Industriya, is an official organ of the Communist Party Central Committee, and is designed to be the daily paper of industrial management, with a circulation of 1.2 million. Although increasingly outspoken and frank in its analysis of Soviet industrial backwardness and the urgent need for reform, yesterday's article on women workers goes far beyond all previous precedent, and establishes a new benchmark for glasnost on the shop floor.

"The industrial equipment is not designed for women, even though 51 per cent of them now work in industry," the newspaper went on. "All machine tools are designed for the statistically average male. Women sometimes have to stand on stools to adjust their machines, or lie on the machinery to work..." it says.

The report then claims that the official figures fail to prop-

posed to be the workers' state.

The political purpose behind this unprecedented attack on Soviet industrial life seems to be part of a long-term strategy to prepare the way for a much reduced rôle for women in the workforce, to prepare for the time when industrial automation brings the prospect of mass unemployment.

But the shock effect of the report is striking enough. Dissident workers and free trade unionists have served prison and mental hospital terms for making such allegations.

Women do not bother to go to the factory clinics, the report claims, because they know the doctors are under orders to report a regular decrease in the number of industrial accidents and diseases. "If you go to a doctor, you lose the rest of your health," the newspaper quotes the women as saying.

It claims that the trade unions have simply not informed the women that state benefits are available for those suffering from occupational ailments. The trade unions also failed to support the women when they asked for compulsory shift work to be reduced for working mothers - even when sociologists proved that most teenage crime was com-

erly report the real level of industrial illness, because factory managers and trade union officials, as well as doctors, discourage the women from reporting illness.

"On average, 4-5 per cent of women cannot give birth healthily, but this figure doubles to 8 per cent of textile workers. Their babies weigh considerably less than average and many suffer from oxygen deficiency," the report went on.

"But the same might be said about many other fields of industry employing women - tractor-drivers, road workers, loaders... In other fields, they do manual work on average 50 per cent more often than men."

This criticism follows a recent call by Mr Gorbachev for a national debate on "what we should do to make it possible for women to return to their purely womanly mission."

"Whole generations of our people have been brought up on stories of glorious women tractor drivers, parachutists, and women building the Metro. And the result was that women today play an equal part in social production with the men. They may do so, but should they?" the paper said yesterday, questioning 70 years of Soviet policy on equality of the sexes.

THE NEW TECHNOLOGIES OF CAPITALIST EXPLOITATION

THE NEW TECHNOLOGIES: A Discussion Article.

"It would be possible to write a whole history of the inventions made since 1830 for the sole purpose of providing capital with weapons against working class revolt." (Marx, Capital Vol.I)

Similarly it would require a whole history to document adequately the role of capitalism's technology in the continual reintegration of the working class into the social relations of decadence. The following, therefore, is an attempt to open up for further investigation certain aspects of the so-called "new technologies".

Any strategy in response to what is often described as "high-tech" depends upon an adequate conceptualisation and historical appreciation of the role it is playing in the growth of the capitalist mode of production. This is all the more important in view of the crass pronouncements of futurologists whether from the left of capital, e.g. Wilson and his "White Heat of Technological Revolution" in the 60s, or from the right with the Thatcherite "Information Revolution" of today. In either case it is essential to theorise technology in its political dimension, as a mediation of the relation between capital and labour. Rather than being understood as an embodiment of class domination, high-tech is always portrayed as "neutral", as the naturally given form of

development, its effects being the inevitable and unquestionable outcome of the juggernaut of "progress".

Clear lines of development indicate, however, that high-tech is being constituted not as a "liberating" technology, as its pundits would have us believe, but as one that will facilitate the rule of capital across even wider spheres of social existence. The extensive and oppressive influence of high-tech is being felt not just in the workplace through a more insidious control of the labour process, but also in the "public" sphere as the tool of centralised administrative and political processes. Parallel with increased centralisation of state apparatuses and corporations, develops a tendency towards "decentralisation" in the "private" sphere through the further commodification of culture, "leisure" etc. Privatised consumption is relayed as the ultimate in human freedom, and increased productivity as the workers' supreme duty. The roseate picture of the happy consumer participating in politics, education, etc, from the comfort of his living room, however, stands in ever more glaring contradiction to the enforced idleness of the growing masses of unemployed, to the ruthless intensification of the rate of exploitation of those in employment, and above all to the starving millions of capitalism's periphery, most of whom have never seen or heard a wireless, let alone any of the new fangled devices.

"HIGH-TECH" IN HISTORICAL PERSPECTIVE

In capitalism, under the whip of competition and the constant quest for surplus profits, efforts are continually made to lower the costs of production and cheapen the value of commodities by means of technical improvements. The renewal of fixed capital implies renewal at a higher level of technology in three senses: 1) The value of the newer machines will form a greater component part of the total capital invested i.e. the law of the increasing organic composition of capital will prevail. 2) The newer machines will only be purchased if the cost of their acquisition and the values they will impart to ongoing output do not contradict the efforts of the capitalists in making a profit i.e. if the saving on paid living labour exceeds the additional costs of the fixed capital. 3) The machines will only be bought if they not only save labour but also push down the total costs of production to a level below the social average i.e. only if they constitute a source of surplus profits for the entire period of transition - until these new machines determine the average productivity of labour in the given branch of production.

For the purposes of a transition from a less to a more productive technical process, it is often sufficient to introduce minor improvements to the machinery, better labour organisation, an accelerated work rhythm or cheaper raw materials. But in order to reorganise completely the technical process, new machines are needed, often new raw materials and qualitative leaps forward are necessary in the organisation of labour and forms of energy e.g. the conveyor belt and the automatic transfer machine. A distinction must be made, therefore, between two different forms of the extended reproduction of fixed capital. There is the form in which there is certainly an extension of the scale of production, additional constant and variable capital is expended and the organic composition of capital does increase, but in which all this occurs without a revolution in technology which affects the whole social apparatus of production; and the form in which there is not only an extension but a fundamental renewal of productive technology, or of fixed capital, which induces a qualitative change in the productivity of labour. Into which of these categories fall the much vaunted new technologies, or more particularly, capitalism's "information technology"?

What are the conditions for "technological revolutions"? In Chapter 15 of Capital Volume I,

Marx distinguishes the production of "motive machines" i.e. the mechanical producers of energy, by machinery instead of handicrafts, as the determinant movement in the formation of an "organised system of machines". This production of machines, and first and foremost of motive machines by other machines, is the historical precondition for a radical change in technology. Machine production of steam-driven motors since 1848; machine production of electric and combustion motors since the 1890s; machine production of electronic and nuclear powered apparatuses since the 1940s - these are the three general revolutions in technology engendered by the capitalist mode of production since the "original" industrial revolution of the latter 18th century.

Once a revolution in the technology of productive motive machines by machinery has occurred, the whole system of machines is progressively transformed. Each of the three fundamental revolutions in the machine production of energy sources and motive machines progressively transformed the whole productive technology of the entire economy, including the technology of the communications and transport systems. Consider, for example, the ocean steamers and diesel locomotives, automobiles and radio communications in the epoch of the electric and combustion engines; and the jet transport planes, television, telex, radar and satellite communication networks, and atom-powered container freighters of the electronic and nuclear age.

A general transformation of productive technology, however, generates a significant rise in the organic composition of capital, and, depending on concrete conditions, this will lead sooner or later to a fall in the average rate of profit. The force that determined the sudden extension of capital accumulation in Department I thus falls away, and, accordingly, the succeeding phase becomes one of retreating profits, gradually decelerating accumulation, decelerating economic growth and of gradually increasing difficulties in the valorisation of the total accumulated capital, and in particular of newly accumulated capital. The decline of the average rate of profit becomes the greatest impediment to the development of a new technological revolution.

The new period opened up by the Second World War was characterised by, among other things, the fact that alongside machine-made industrial consumer goods - as from the early 19th century - and machine-made machines - as from the mid-19th century - there was to be found machine-produced

raw materials and food stuffs. Post-war capitalism, far from leading to a "post-industrial" society as some of its ideologues were to claim, thus appeared as the period in which all branches of the economy were to become fully industrialised for the first time; to which could be added the increasing mechanisation of the sphere of circulation and other superstructures.

With the advent of automation this was to lead to an equalisation of the average productivity of the two large Departments i.e. of the organic composition of capital. Once it becomes possible to apply the principles of fully automated processes to production, it can be applied with equal success, both to the mass production of raw materials and of light consumer goods. Contemporary capitalism is thus confronted once again with a situation not dissimilar to that of the mid nineteenth century: a growing equalisation of the rate of productivity of labour. While the previous historical period of the nineteenth century was characterised by diminishing differences in the productivity of labour as between the two Departments, capital had greater opportunities of evading the consequences of this diminution by moving into agriculture, for example, or by moving into the colonies and semi-colonies. Similar avenues are no longer open to the same extent for decadent capital. The dwindling of other sources of surplus profits leads to a constant drive for "technological rents" i.e. surplus profits derived from a monopolisation of technical progress - from discoveries and inventions which lower the cost price of commodities but cannot become generalised throughout a given branch of production and applied by all competitors because of the structure of monopoly capital itself. There develops, then, a permanent pressure to accelerate technological innovation.

The immediate origin of the third technological revolution can be traced back to the objectives of capital in the 1930s and 1940s. The technical possibility of automation springs from the arms economy, or from the technical necessities corresponding to the particular degree of development reached by the arms economy. This applies, for example, to the construction of automatic calculators, produced by direct derivation from cybernetic principles, which can collect data at lightening speed, and draw conclusions from them for the determination of decisions - e.g. the precise guidance of automatic air defence missiles to knock out bomber planes.

In the 1940s and 1950s the US government, lead by the Pentagon, provided most of the funding for computer research. In addition, the Pentagon provided big contracts to commercial firms to build the production equipment to create the microchips that have revolutionised the industry. Furthermore, the Pentagon was the major consumer of computer products; between 1958 and 1964 the military bought 35%-50% of integrated circuits produced in the US. But when micro-electronics appeared so suddenly on the scene in the late 1970s, with the generation of a new cycle of capital and consumer goods, its military origins had been suitably laundered. Unlike most of the technology underpinning the post-war wave of innovation, micro-electronics do not require the use of large amounts of energy or material resources. The "energy crises" of the late 1970s, therefore, with the quadrupling of the price of oil, were to be important determinants of the frantic drive to minaturisation.

ECONOMIC FUNCTIONS AND LIMITATIONS OF NEW TECHNOLOGY UNDER CAPITALISM

Economically the following main characteristics are discernable in post-war technology:

1. A qualitative acceleration of the increase in the organic composition of capital i.e. the displacement of living by dead labour. In enterprises which are fully automated this displacement is virtually total - e.g. in some UK petrochemical works the proportion of production costs representing wages and salaries has sunk to 0.02%.
2. A shift of living labour power still engaged in the process of production from the actual treatment of raw materials to preparatory or supervisory functions. These functions nevertheless still constitute value-creating activities as defined by Marx i.e. activities essential in determining the form of the specific use-values produced.
3. A radical change in the proportion between the two functions of the commodity of labour-power in automated enterprises. Labour power both creates and preserves value. The creation of value has hitherto been the crucial function. In fully automated enterprises, by contrast, the preservation of value now becomes critical.
4. A radical change in the proportion between the creation of surplus-value within the enterprise itself and the appropriation of surplus value produced in other enterprises, within fully automated enterprises or branches.
5. A shortening of the production period, achieved

by means of continuous out-put and radical acceleration of preparation and installation work. Pressure to abbreviate the circulation period - hence a shorter turnover time for capital - through planning of stocks, market research etc.

6. A compulsion to accelerate technological innovation, and a steep increase in the costs of "research and development".

7. A shorter life-span of fixed capital - increasing compulsion to introduce exact planning within each enterprise and programming of the economy as a whole.

8. A higher organic composition of capital leads to a rise in the share of constant capital in the average commodity value. This increase may be limited to the share of circulating constant capital (the cost of raw materials, energy, auxiliary substances) or may extend to fixed constant capital, or may affect both. The increase in the relative share of constant capital in the average commodity value is inevitable accompanied by a decrease in the absolute expenditure of constant capital per commodity if automation is to be at all competitive in capitalism.

The combined upshot of these main characteristics is a tendency for all the contradictions of the capitalist mode of production to be intensified: the contradiction between the growing socialisation of labour and private appropriation; between the production of use-values and the realisation of exchange values; between the accumulation of capital and its valorisation and so on.

If fully automated production processes were to be introduced on a mass scale into certain realms of production, the effects would be considerable. The production of absolute or relative surplus value would cease to rise and the entire underlying tendency of capitalism turns into its own negation: surplus value would hardly continue to be produced at all. The total profit appropriated by firms in these realms would be taken from the remaining non - or semi-automated branches. In these latter branches, therefore, there arise severe pressure for substantial measures of rationalisation and intensification of production in attempts to bridge the productivity gaps or otherwise they stand to lose an increasing portion of the mass of surplus value produced by "their" workers to their more productive competitors. Hence the pressure to squeeze the last second of surplus labour out of the worker by means of more conveyor belts and "Motion-Time Measurement". If fully automated enterprises and semi-automated concerns were to grow so numerous

that they were to become decisive for the structure of the whole of industry, reducing "classical" industries to only a relatively small share of total production, then the contradictions of capitalism would assume an explosive character: the total mass of surplus-value, in other words, the total number of hours of surplus labour, would then be tendentially condemned to diminish.

Capitalism is incompatible with fully automated production in either industry or agriculture and therein lies one of the absolute inner limits of the capitalist mode of production. Automation is as yet no more than a rather exotic exception to the generally rather stagnant technological development of world capitalism. The full realisation of its objective potential is, of course, impossible without the destruction of capitalist social relations of production. Once the sphere of production is grasped as a contradictory unity of non-, semi- and fully automated enterprises, it becomes evident that capital must by its very nature put up growing resistance to automation beyond a certain point. The forms of this resistance include the use of cheap labour in the semi-automated branches of industry (e.g. female and apprentice labour in the textiles and food and drink industries) which shifts the profitability threshold for the introduction of fully automated complexes; constant changes and mutual competition in the production of automated machine complexes, which impede the cheapening of these complexes and hence their swifter introduction into further branches of industry; the incessant search for new use-values which are first produced in non or semi-automated enterprises and so on.

Just as in the first phase of machine-operated large industry (the large machines were themselves produced not by machine but by hand) so in the first phase of automation the automatic machine aggregates are not constructed automatically but on conveyor belt. In fact the industry which began to produce electronic means of production had a notably low organic composition of capital. In the mid 1960s the share of wage and salary costs in the gross annual turnover of this industry in the US and Western Europe fluctuated between 45 and 50%. This explains why the massive amount of capital which streamed into it since the beginning of the 1950s lowered rather than raised the average social composition of capital and raised rather than lowered the average rate of profit. The automatic production of automatic machines would hence be a qualitative turning point, equal in significance to the appearance of the machine production of machines in the mid

nineteenth century, adverted to by Marx:

A development of productive forces which would diminish the absolute number of labourers i.e. which would enable the entire nation to accomplish its total production in a shorter time span, would cause a revolution, because it would put the bulk of the population out of the running. This is another manifestation of the specific barrier of capitalist production, showing also that capitalist production is by no means an absolute form for the development of the productive forces and for the creation of wealth, but rather that at a certain point it comes into collision with this development." (Capital, Vol.3, p.258)

OUTLINE OF THE ROLE OF SCIENCE AND NEW TECHNOLOGY IN RESTRUCTURING PRODUCTION

There are four main areas of scientific and technological development which are currently receiving high priority world wide from capitalist firms and states - micro electronics and associated technologies, information technologies, bio-technologies and energy and materials technologies. There are several major ways in which these may circumvent barriers to accumulation:

a) Economising on constant capital - saving on the use of energy, raw materials, components and machinery. This will either be at the individual enterprise level e.g. cheaper metals and machines) or at the level of national capital (e.g. cheaper grid energy). A massive cheapening of the commodities produced in Department 1 has considerable effects in both Departments 1 and 2 by cheapening fixed capital and thus reducing the value of consumption goods and hence the value of labour power overall. Robot assembly of machinery and the use of computer aids to design and management, especially in the area of small batch production, are very important here. In addition the cheapening of constant capital in total and the speed up of turnover time (by the use of information technologies in the financial sectors) will cheapen commodities and labour power in both Departments and will raise the production of relative surplus value and offset the effects of increased organic composition of capital.

b) Economising on labour power - this includes altering skill structures or reducing the total number of workers so as to reduce the overall value of the collective workers' labour power. This may be achieved by:

1. altering the product (fewer components).
2. altering the process (lower skills required).
3. increasing the possibilities for concentration of production and associated services, leading to economy through "rationalisation".
- c) Economising on constant capital and on labour power may not occur in isolation but will often be combined so as to offer radically new techniques of production allowing:
 1. integration of previously separated processes.
 2. removal of "restrictive practices".
 3. increased mobility of manufacturing, regionally and internationally.
 4. increased shift work
 5. increased opportunities for "self-regulation" (e.g. "autonomous" workgroups, contract labour).
- d) Economising on the time taken to realise the value of the product either by better transport systems (e.g. new energy saving technologies), by better distribution systems (automated warehouses), or more efficient banking systems (computerisation) and better communication systems.

TRANSFORMATIONS IN THE LABOUR PROCESS Mechanisation of Labour - Taylorism - Fordism

The technical division of labour, contrary to what the proponents of the "scientific and technical revolution" would have us believe, is subject to the social division of labour. Technology is the material substratum of relations internal to the labour process which make collective labour-power a single force producing surplus-value. The major transformations first arose in the US because it was there that the wage relation was most quickly universalised.

The latter half of the 19th century was the period in which the capitalist mode of production systematically brought into being systems of productive forces able to link absolute and relative surplus-value closely together. Their basis was the principle of mechanisation, which incorporates in its mode of operation the qualitative characteristics of those concrete labours previously performed by the dexterity of workers. By transferring the qualitative characteristics of labour to the machine, mechanisation reduces labour to a cycle of repetitive movements that is defined solely by its duration, the output norm.

The term 'Taylorism' might be defined as the sum total of those relations of production internal to the labour process that tend to accelerate the

completion of the mechanical cycle of movements on the job and to fill the gaps in the working day. These relations are expressed in general principles of work organisation that reduce the workers' degree of autonomy and place them under permanent surveillance and control in the fulfilment of their output norm. In the US Taylorism came into force in the engineering industries at the end of the 19th century. It was a capitalist response to the class struggle in production in a phase when the labour process was composed of several segments, each organised on mechanical lines internally, yet whose integration still depended on direct relations between different categories of workers.

Taylorism culminated with the organisation of work teams. This form of organisation became important when increasingly large work collectivities set in motion a fixed capital of extremely high value. This value was immobilised in productive infrastructures which were extremely costly to operate and which remained in service for a very long time in comparison with the period of wage payment. Team organisation combined every rule designed to reduce the gap in the working day. By restricting the individual working day, it was possible to fix output norms involving a very high pace of work. By guaranteeing continuity, it was possible to limit the loss of time involved in the starting-up of machines and the preparation of production runs. By making machines function continuously or semi-continuously (e.g. stopping only at week-ends), it was possible to reduce the time they were kept in service via their more intense utilisation. The increased rapidity of capital turnover thus obtained reduced the risk of obsolescence and associated losses through devalorisation.

After the 2nd World War, team organisation became general in most industries both in the US and in western Europe. This extension represented the assimilation of Taylorist principles by managements, the establishment of time and motion studies as an autonomous function in the charge of specialists placed closely under management control, and the creation of a vast reservoir of homogenous and mobile labour power, both constrained and resigned to capitalist labour discipline.

Taylorism was superseded by what has come to be called "Fordism". The characteristic labour process of Fordism is semi-automatic assembly-line production. This particular type of labour process was established in the US from the 1920s onwards, especially for mass consumer goods produced in

long production runs, and was subsequently extended to the production of standardised intermediate components for the manufacture of these means of consumption. Fordism further developed the mechanisation of labour, increased the intensity of work, radicalised the separation of mental from manual labour, rigorously subjected workers to the law of accumulation and turned scientific progress against them as a power serving the uniform expansion of value. The decisive influence of Fordism can be seen in the accumulation of capital in general by the break in the pace of development of the rate of surplus-value after the 1st World War.

In Fordism the production process has been completely liberated from any limits imposed by the physical strength of individual human beings. Yet it remains dependent on the reaction times, faculties of perception, concentration and detection of individuals, and on the rapidity with which they can coordinate their movements. Subjection to a uniform but ever increasing pace of work, combined with curtailment of resting time, immensely increases fatigue and creates new forms of nervous exhaustion from which it is impossible to recover from one day to the next. Symptoms of this modern form of destruction of human capacities multiplied in the 1960s: a high level of absenteeism; a rise in accidents on the assembly-line; an increase in the proportion of defective products, and consequently in the time devoted to quality control. These tendencies are reinforced by the diversification of production processes which imposes on one and the same manufacturing unit an output plan made up of distinct and successive short production runs. The rigidity of the assembly-line process is costly in terms of delays caused by imbalances on the assembly-line (not all workers can have a cycle of movements of the same duration), starting time, modifications of the moving parts, special tooling and skilled labour able to adjust multiple functioning machine tools. A further drawback in "systems engineering" was that it made it difficult to divide the workers against themselves, and induce them to participate in the degradation of their own conditions of labour by means of individual output bonuses. Assembly line work tends to unify the workers in an overall struggle against their conditions of labour.

The violent reaction of workers in the late 1960s to various plans to give them an "interest" in the performance of "their" enterprise, together with unofficial actions taken outside of the framework of the trade unions, expressed their growing consciousness of the illusory character of these

schemes. The considerable slowing down in the fall in real social wage costs that can be observed from the mid 1960s onwards, was the expression in the value field of this challenge to Fordism as the general mode of management of wage-labour. The class struggles in production today bear the germ of a major new transformation of the labour process - Neo-Fordism.

Neo-Fordism, like Fordism itself, is based on an organising principle of the forces of production dictated by the needs of capitalist management of the work collective. The new complex of productive forces is automatic production control or automation; the principle of work organisation is known as the recomposition of tasks. The combination of these two lines of development has unleashed the most shameless propaganda about "the liberation of man in work". It is certainly possible that automation does contain possibilities which eventually will lead mere operative work in production to disappear, but these possibilities have no chance of being realised outwith the abolition of capitalist relations of production. The problem is to know whether these changes in work organisation, made more effective with the application of ever more sophisticated new technologies, can channel the class struggle into forms compatible with the law of accumulation.

The changes in the system of work organisation is based on the ability to construct machines that control their own operations, and have only been made possible by the dual advances of electronics in the treatment of information and capacity to programme systems on the one hand, and in the production of instruments of measurement and control for diverse production processes on the other. It is this progress that has led to the introduction of numerically controlled machine-tools. It is the perfecting of forms taken by this numerical control that determines more than anything else the contemporary pace of transformation of the labour process.

Automatic production control introduces a new flexibility. For the same principle can be incorporated in different complexes of productive forces; it is adaptable to mass production and to medium or short runs. The coupling of transfer machines and automatic conveyors, programmed so as to provide reserves of intermediate components as a function of the production rhythm, forms a transfer line. The installation of transfer lines, very costly in terms of fixed capital, centralises production enormously, and only becomes worthwhile from the capitalist point of

view if very high levels of output can be regularly maintained. This is why automatic production control has only made its big leap forward relatively recently, with the introduction of incorporated numerical control. Here each machine tool is equipped with its own mini-computer of the kind which the minituration of integrated electronic circuits has made possible to produce. The functioning of the machine is then completely freed from the motor and sensory limits of the human operator. Precision is improved, production time sharply reduced, and above all, the time taken to prepare the machine system for different conditions of use can be reduced from several hours to a few minutes, at the same time as completely eliminating the need for skilled personnel.

What effects do these new forces of production have on value relations? First and foremost of these is a relative saving of labour-power in production. This saving results from a series of changes affecting the work collective. First of all there is a de-skilling process that arises from the suppression of complex tasks. As the operatives have only to supervise the machines and test their correct functioning, it is possible for each to supervise several at a time. One section of production is thus eliminated. Since the work of these operatives has no direct effect on output, they can be paid simply by the hour, thus dispensing with all the problems related to the determination of output. Since it is no longer necessary to individualise jobs, and since the ending of manual operation of machines makes tasks objectively homogenous, it is easy to switch workers around, adding some and taking away others, and in this way reduce to a considerable extent problems posed by absenteeism. The number of foremen, quality controllers and other supervisory staff is also sharply reduced. The engineering department, on the other hand, is expanded. The complete transfer of production programming decisions to this department creates new jobs for skilled technicians, in a division of mental labour that is ever more rigorous. But the very centralisation that is realised by this automatic control means that the creation of new skilled jobs is far from making up for the destruction of old skills.

With automation, a far more advanced centralisation of production becomes compatible with a geographical decentralisation of the operative units (manufacturing and assembly). A far-reaching modification of relationships between industries develops, replacing electro-mechanical items of high value by

electronic items of low value. The capitalist class can benefit from this in two ways. On the one hand a far greater flexibility in the installation of production units allows it to break up large working class concentrations and create an environment that minimises convergence of struggles at the point of production. On the other hand the development of electronic industries with simple and standardised production methods tends to lower the value of constant capital and consequently to counteract the rise in the organic composition of capital. The capitalist class has then simply to make sure of the essential factor: total domination of programming centres, research methods, processing of information and the total submission of the highly skilled personnel responsible for them. If such a separation between the work of conception and execution, and such a concentration of effective managerial power over the forces of production can be accomplished, we can foresee a simultaneous long run pressure on both constant and variable capital. The regime of intensive accumulation could then survive the crisis of Fordism.

Numerically controlled machines strip the tasks of preparation and regulation of any qualitative content requiring specialisation; the principle of automatic control completely removes the manufacturing process from the workers' vigilance or influence. In conditions of this kind, the interest of capitalist management lies in the suppression of categories of skilled workers, fitters and setters who are no longer needed, and the devolution of all supervisory operations and simple manipulation of machines to the operators themselves. At the same time, the division of the production process is modified by automation in a far reaching way. Semi-autonomous groups emerge, responsible for manufacturing or assembly programming. Rigorously integrated into the overall information system of the enterprise, and entirely subjected to the programming and controlling centre for the branch in which they are situated, these groups are constrained by a detailed production programme. Freed from the necessity of making sure that the labour constraint is respected in each individual case - each group is collectively responsible for the execution of the production plan - capitalist management can thin out the hierarchical pyramid of command. It thereby hopes to be better able to isolate and attenuate conflicts that arise at the point of production.

Through the recomposition of tasks, the hierarchical principle of capitalist control tends

to become somewhat modified. Control via directives transmitted from a high command is replaced by direct control by the production process. This control is both more abstract and more rigorous. The workers are no longer subjected to a constraint of personal obedience, but rather to the collective constraint of the production process.

INTERNATIONAL DIVISION OF LABOUR IN NEW TECHNOLOGIES

The information technology industry, fed by the developments in microelectronics, is hailed as a shining example of economic growth in economies which are at best stagnant. While the gross national product of most OECD economies declined in 1981, for example, output in many sectors of the computer industry was growing by 30%. While comparatively very large growth rates have been recorded, much less publicity has been focussed on the wild fluctuations in the industry, an instability which is the outcome of the peculiar inner contradictions of its development, but which at the same time confirm that it is in no way isolated from the general global crisis of capital.

The character of information technology has led to the development of a particular industrial structure. First, it is dominated by multinational corporations. This is inevitable given the enormous research and development costs that have to be laid out prior to manufacture and the often equally large fixed capital costs that are necessary to guarantee economies of scale in hardware production. The information technology sector is dominated by a select and powerful group of multinationals: IBM, AT&T (the largest inter-set of all while the only one restricted to North America), IIT, Xerox, Siemens, Philips, RCA, Honeywell, Burroughs, Hitachi, Sony, Mitsubishi, Exxon, GEC. Such organisations are able to dominate the information technology market for a number of reasons:

- a) They have the resources to offer complete systems of compatible equipment; the trend towards integral systems impedes the access of smaller organisations to information technology markets.
- b) They have an international reach and global strategies - vitally important in the information technology industry, which provides the data processing and communications infrastructure that underpins the increasing internationalisation of political, economic and administrative structures.
- c) They have the resources to undertake expensive

research and development programmes (at the upper levels well in excess of one billion dollars per annum). They are also able to take over strategic companies and buy expertise.

Such characteristics as these put into a true perspective the extravagant claims that information technology is an "entrepreneur's paradise" - a favoured theme of futurists. On the contrary, the business is restricted to a few giant oligopolies of a size that is without historical precedent. Smaller organisations only survive by adopting the role of clients and sub-contractors to these concerns. Three corporations - GEC, Ebn-EMI and Racal - head the British effort in information technology with three others - Plessey, Feranti and ICL - playing a supporting role. On a world scale, however, these UK companies, all multinational enterprises with large resources, are relatively small fry. The leading protagonists are AT&T, IBM and Xerox with the phalanxes of ITT, GTE, Wang and RCA playing important supporting roles.

The volatility of the sector following on from its rapid technical change, tends to reinforce the role of the large multinationals. Learning through innovation encourages firms to market at below cost in early years of product development. If this leads to the acceptance of a product as standard, it carries further advantages in the assurance of a market share and the knock-on effect of demand for compatible equipment. This has been one of the factors behind IBM's rapid rise to the top of computer manufacturing - it produces twice as much as any non-US company, and sells as much as its nine top competitors combined (including some from the US).

70% of the world's semi-conductors are produced by US firms around the world and 60% of output in the US is accounted for by only four multi-nationals. The only other major producer is Japan which accounts for almost a quarter of world output. Western Europe accounts for 4.4% of world output (1985 figures). This relatively poor performance of Western Europe is reflected throughout the whole spectrum of electronics products; over the period from 1978-83, its consumption has been growing at 4% a year, twice the rate of production; its trade balance has worsened from a deficit of £0.7bn to \$8.1bn in a total consumption of \$109.4bn, so that Western Europe now accounts for a third of all consumption of electronic products but only a quarter of production. Although an enlarged EEC, with a population of around 320 million, which is substantially larger than the US let alone Japan, it still represents a fragmented high technology market. While it

commands around 30% of total world trade, it has less than a 9% share of trade in information technology products. The following table shows that even the electronically most advanced countries such as Germany and the UK are way behind the US and Japan in "chip" use; and the rest of Europe, let alone the "Third World", are lagging even more behind the industrialised countries. The chances of "leapfrogging", by surmounting several stages of technological development, as Japan did in the first half of this century, are remote.

Consumption per capita of semiconductors, 1985 (\$)

Benelux countries	12.22
France	12.71
Scandinavia	17.88
UK/Eire	20.76
West Germany	21.25
Rest of Europe	6.15
Total Europe	13.83
US	53.25
Japan	70.03
Rest of World	0.51
Total World	5.69

Intra-imperialist conflicts in the computer and electronics industry began to surface in major areas during the 1970s and none has been finally resolved, as the recent protectionist embargo imposed by the US on Japanese semi-conductors indicates. As US companies passed from their first phase of expansion centred on the home market to penetration of foreign markets, their weaker competitors have regularly turned to their nation state for support. The might of the US corporations is such that indigenous capital outside the US, if it is to have any real chance of achieving a substantial market share in the international information technology industry, requires active state support (the position of the state capitalist factions).

In the EEC, new regulations came into force at the beginning of 1981 whereby no single member government was allowed to favour its own national suppliers over those of another member country. This was an attempt by legal means to create a unified, supra-national market and so to reap the advantages of a single large market enjoyed by US manufacturers. The EEC's action has only taken the conflict on to a higher plane and not solved it. A European computer manufacturer has been defined as one that makes strategic decisions about supplying the European market in Europe and has a large base of manufacturing within member countries. Such a definition which avoids

mentioning where the ownership of a company resides, accepts the European operations of IBM, the US owned manufacturer as "European". Since the mid 1960s IBM has expanded in Europe to the point that 95% of the computer system hardware sold by IBM in Europe is made in Europe. The proportion is in fact higher than that for many European owned manufacturers who are dependent to a large extent on the US supply of sub-systems such as disk drives and printers to make up their complete system. IBM has over 50% of the domestic market for medium and large computers in each of the European countries in which it operates, except for the UK where its split is about 35%.

The production of micro-electronic chips - microprocessors and micromemories - is dominated by a handful of companies that have production plants in the US, Western Europe, Japan and the capitalists enclaves of the Far East. The micro-electronic industry, of which US based firms control 63% of output, spends a lot of time trying to give the impression that its high technology products demand an increasing level of skill from its workforce. A closer look at the composition of the workforce reveals, however, that the industry rests on a sexual and international division of labour where the real subordination of labour to production and the organic composition of capital have reached new heights in the history of capitalism.

In the electronics factories of California's "Silicon Valley", where the vast majority of chips available on the world market are designed and produced, most jobs fall into one of two kinds: skilled technical research and development and "unskilled" production work. Race and gender largely determine which of these types of jobs a worker gets and keeps. Anglo-American men dominate the better paid technical jobs, while women of ethnic minorities are generally restricted to low-paid unskilled production work. It has been estimated that 80-90% of "operative and labourer jobs" on the factory floor are done by women and that 45-50% of them are of Hispanic and Asian ethnic origins. Many production lines in California are operated by women from Mexico, the Philippines, Thailand, Samoa and Vietnam. Often companies divide the lines according to ethnic origin to encourage competition and discourage cross-nationality alliances.

Recent investigations into this almost totally non-unionised labour force have produced a telling picture of the average Silicon Valley production worker. She is between 18 and 30 years of age, has dependent children and has to pay for their

care when they are not at school or too young for school because she works a 40 hour week and frequently longer. She is probably on some form of welfare benefit because her pay is either at or just above the legal minimum. While on the production lines, which are contained in air-conditioned cabins, she will be exposed to chemicals of all types used in the different cleaning and manufacturing stages. All the production processes, from the first cutting of a sausage of silicon into wafers, right through to the final cutting of the completed chip, will be monitored by computer systems. The computers provide a basic pace for the work to which production workers have to respond with an equal pace. Many of these workers are undocumented or illegal entrants and constantly live in fear of raids on homes and factories by government agencies.

Over one million South East Asian women now work for US corporations, forming the central link in assembly-lines that stretch from the US to Asia and back. Their salaries are as low as 80 cents a day. In the plants of South East Asia the vast majority of workers have had no formal training. Like their sisters in Silicon Valley, they are not unionised, have no formal recognition of their skills and are the target for a constant barrage of sexist propaganda orchestrated by the personnel department of the firm and aimed at reinforcing subservience and loyalty to the firm, by manipulating traditional concepts of femininity and passivity. The nature of the work - bonding under a microscope of tiny hair-thin wires to circuit boards on wafers of silicon chip half the size of a finger nail - shortens working life. After 3 or 4 hours peering through a microscope a worker's vision begins to blur so that she can no longer meet the production quota. For the woman thrown out of work on the assembly line at an early age, the wage earner for the whole extended family, prostitution is often the only form of livelihood left.

Overall this labour force has remained largely docile when it comes to struggles for better pay, less work and better conditions. Since the late 1960s capital has retained an initiative over these workers by rapid changes in the production process, increasing rates of automation in key areas and expansion into areas of high unemployment or pre-capitalist production where client states can deliver a submissive labour force. There have been exceptions to the workers' record of passivity. Although this has been limited to trade unionist perspectives, masses of workers have been

Drawn into the struggle. For example, in October 1983, in the Philippines, 800 women workers in Astec Electronics, owned by the UK company BSR, formed a union after years of company resistance. When the company tried to lay off workers they walked out of the plant. The company then brought the military in against the picket which prompted 10,000 other workers, mostly women from the Bataan Free Trade Zone, to join the picket line. They faced zone police and a detachment of marines. When police fired teargas the workers dispersed them. Faced by a general strike of the industrial zone the company was forced to negotiate. (In early 1984 the company closed the plant.) Furthermore, there have been sit-in strikes in some South Korean plants. It is on the backs of these workers in the metropolitan countries and in the periphery that the microelectronic industry has developed. The sustained initiative that capital has retained in this industry has driven it to the point where such a massive injection of capital is needed to start up and break into the market that even large corporations cannot do it.

The periodisation of the development of micro-electronics is significant because it is not unconnected with the post-war changes in the international division of production and of labour and the corresponding movements and operations of the multinational corporations. A rapid rise in organic composition meant a global search for cheaper and cheaper sources of labour. The first moves were to Mexico, but the industry soon looked to Asia. Fairchild established a factory in the British colony of Hong Kong in 1963, and Taiwan, South Korea and Singapore became firm favourites for overseas assembly plants in the '60s. In the early 1970s today's micro-electronics industry was formed when it became possible to put more than 1,000 transistors into a single chip. This new level of integration led to a new wave of expansion into Malaysia, Thailand, the Philippines and Indonesia. The new wave formed a working class which had no previous experience of wage-labour. By 1978, for instance, Malaysia had 69 electronic plants, twenty of them owned by US corporations. The country had become, according to a US Department of Commerce report, "one of the major manufacturers of semi-conductor products in the world". The value of production in that one country grew from \$382 million in 1976 to \$500 in 1977, an increase of 37%. At that time many of the US companies began three-shift working, hardly surprising since according to one manager's report "one worker working one hour produces enough to pay the wages of ten workers working one shift plus all the costs of materials and transport".

However, in this fast moving industry, even the cheap labour of workers in the plants of the periphery is far from safe. The introduction of new automated production methods seems to have led to some relocation of plants back to the metropolises. A look at movements in the industry for the first quarter in 1983 shows that while some US electronic companies have closed plants in the US and moved shop to Asia, others have closed Asian plants and returned production to the US. Apple Computers, for instance, has completed a new \$20 million factory in the US which can produce one of its new MacIntosh computers every 27 seconds using only 90 workers per shift. Motorola, which has micro-chip assembly plants in Hong Kong, Malaysia, the Philippines and South Korea is building a new automated plant in Arizona. General Motors has begun to shift its production of car radios from Singapore and Mexico back to Indiana where it is building a highly automated plant. Significant wage reductions were negotiated with US workers before GM approved the plan. Companies, therefore, have a global policy of keeping assembly costs low by maintaining maximum flexibility for themselves to introduce constantly developing automated technology into production or in choosing to set up or close down operations, according to conditions, anywhere in the world.

It is impossible to assess the impact of technology upon the global location of industry unless we can judge whether the multinational corporations will be more or less likely to locate in the periphery in the late 1980s and '90s. Firstly, it is necessary to consider whether the new technology might undermine the relative dominance of multi-national corporations. In the first round of diffusion it did indeed appear as if the new technology might diminish industrial concentration of ownership, since it appeared as if new and small firms were more flexible in adapting to the revolutionary nature of the technology with its emphasis on systems design and software. It is increasingly evident, however, that this stage was temporary and that if anything concentration will increase. Many of the new firms have been swallowed by the multi-nationals. For example, Signetics by Philips, and Hall Automation (the only UK firm to manufacture industrial robots) by GEC.

UK: BRANCH-PLANT ECONOMY OF THE MULTINATIONALS

The information technology industry in the UK expanded output at 12% per annum in the 1970s and

this even accelerated to 20% in the 1980s. Yet despite these indices of success a series of reports have pointed to the deficiencies of the UK information technology industry, but response from government has remained sorely inadequate. Recent trends of development in the industry in the UK suggests a confirmation of our Theses on Thatcherism - "Thatcherism" represents not the restoration of British industrial greatness, but the abandonment of any attempt to maintain its position on the world market as a specific national capital.... the lack of will to maintain national control of key sectors of the economy." (Workers Voice 36)

Whilst employment in the UK in this sector remained fairly constant at 150,000 in the 1970s, it began to drop rapidly at the end of the decade and now stands at 120,000 (1985 figures). Similarly, there was almost a balance of trade in the sector until the late 1970s but now a deficit of £800 million has opened up in a market almost £5bn in size. While exports may account for 44% of UK output, imports take up 54% of domestic market. The UK growth rate of 12% over the 1970s has to be set against France (19%), West Germany (15%), Japan (23%) and US (18%). The relatively poor performance of the UK has meant that its share of world markets over the same period has dropped from 9% to a meagre 5%, the major shares being taken by the US (47%) and Japan (19%).

Semiconductors are the product sector most sensitive to the volatility and vagaries of the world market. 79% of the UK's and 21% of Europe's semiconductor output originates in Scottish plants. These include three of the world's top six suppliers - Motorola, NEC and National Semiconductor. The forecast of a large increase in the workforce is not likely to be fulfilled in view of the world glut in chips but also because of new automated processes (such as fabrication lines) which cut the need for labour. Already several companies in Scotland, including NEC and Burr-Brown (US), have scaled down their original labour requirements, with others, e.g. Burroughs, pulling out altogether. In the 1970s the electronics industry in Scotland lost over 40% of its labour force as a by-product of rapid technological changes and the economic repercussions of two successive "energy crises". The totals in 1985 were still about 7,000 short of the 1970 level in spite of expansion since 1979. In the first half of 1985, due to overproduction, miscalculations, sagging demand and cut-throat competition, the important chip segment of the

market suffered a serious recession, triggered by a collapse in the home-computer market. The repercussions included the suspension of a National Semiconductors' expansion plans at Greenock and the reduction of its labour force by 450; redundancies of 750 at Timex's Dundee plant which assembled home computers for Sinclair Research, itself the subject of a major rescue operation.

In spite of the relatively high numbers of research and development personnel employed in Scotland by multinationals, Scotland remains a "hardware country" - i.e. essentially a "branch-plant economy" in information technology with few genuinely innovative products or processes originating there; those that have been discovered have been so starved of adventure or state capital as to be insufficiently viable to break into the world market. At the less skilled end of the electronics industry, the tendency is towards younger and more women workers, and also more part-timers. A recent MSC survey estimated that 42% of Scotland's female labour force consisted of part-timers, to some extent because of the demand by the electronics industry.

Britain provides an enigmatic case of the relationship between the state and the information technology industry. In November 1978 the Labour administration committed a total of £400 million with the aim of forming an integrated information technology industry made up of four strands: Immos (for the manufacture of semi-conductor devices); Insac (for programming); Data Recording Instruments (for computer peripherals); Nexos (for the office equipment market). These were all to be under the NEB (National Enterprise Board) which undertook a five year plan. These ambitious plans suggested a coherent approach to information technology which could not be matched in scope by the private sector.

In line with their doctrine of opposition to state supported initiatives in the economy, the Thatcher government after 1979 commenced a campaign aimed at disposing of NEB assets. Various companies were placed in the hands of the receiver, a 50% holding in Ferranti was returned to the private sector and the state's 25% interest in ICL was relinquished. In 1981, Webster and Robins were to write, "without state involvement the British information technology industry would certainly be in danger of collapse. The public sector, for example, absorbs about one third of UK computer capacity while under a preferential procurement policy almost all government computer orders worth

over 100,000 are awarded to ICL. Elsewhere we find that Plessey achieved 39% of its total sales in 1979-80 to the Post Office and government departments."

It should, of course, be pointed out that the state and the military, which in the UK is a major sponsor for the electronics industry, cannot subsist indefinitely as markets for information technology on a dwindling pool of surplus value extracted from the capital productive sectors. There are certain clear indications that the state has ceased to "hold the ring" for the national capital, however, at least in the manner in which this was previously understood. The most frequent support received by national firms was the assurance that central organs of the state would only purchase crucial types of computer equipment from domestic manufacturers. Such a programme was adopted by the UK state when it aided in the formation of ICL in the late 1960s. All central government computers were to be bought from ICL and local authorities and educational institutions were, in turn, urged to purchase ICL equipment. If a recent Guardian article is anything to go by, this preferential procurement policy seems to have gone by the board: "The government intends to sign a 200million contract to build a computer network linking the Home Office, DHSS, Customs and Excise and the Inland Revenue...Electronic Data Systems (US) which is working on the project with the Canadian firm, Northern Telecom, is the only bidder among the five involved with no British partner." The government also distributed 14 million to various multinationals establishing chip production in the UK. IIT, National Semiconductor, Motorola and General Instruments all received over 2 million each for expansion. Moreover, in pursuing policies of allowing the market to decide, the Thatcher government has incorporated the multinationals onto committees designed to determine industrial policy.

A further weakness of the UK effort in electronics has been its research and development policy. This has been insufficient and misdirected. Although defence research and development may have been the origin of much innovation in "new technology", this has long since been surpassed as a source of commercial gain through spin-off. In the UK in 1982 arms were responsible for 30% of electronic goods (and 40% of ships and 50% of aerospace) revealing the burden that such expenditure places on the ability to pursue competitive commercial applications. This is reinforced by a research and development policy for which in 1978, for example, 312 million was spent on electronics - all but 20 million of this

on defence.

Electronics has been dominated by multinationals, particularly from the US and increasingly from Japan so that European producers, including multinationals themselves, have been placed in an exposed and subordinate position. In the UK, producers are confined to a precarious existence amongst the interstices of the giant electronics manufacturers, depending upon specialised products and component supplies from their potential competitors.

CRISIS IN THE PRODUCTION OF MODE OF CONSUMPTION

With Fordism, the generalisation of commodity relations extended to their domination of practices of consumption, together with a notable impoverishment of non-commodity interpersonal relations. Once the social conditions that enabled this mode of consumption to be reproduced were established, its consumption norm evolved dynamically because its commodity content was directly inscribed in the generalisation of the mechanised labour process with semi-automatic control. A social norm of working class consumption is formed which becomes an essential determinant of the extension of the wage relation, as a fundamental modality of relative surplus-value. Through the social consumption norm, the mode of consumption is integrated into the conditions of production. The mutations in the productive forces engendered in Department 1 take effect in Department 2 by way of a reduction in the value of labour power and a co-relative increase in the rate of surplus-value.

The ideologists of the "consumer society" were harshly awakened to the realities of capitalism by the deep crisis that began to intensify in the latter half of the 1960s. The crisis of Fordism was first of all a crisis of a mode of labour organisation. It was seen in the halt to the fall in the real social wage costs that occurred simultaneously with the outbreak of sporadic conflicts challenging this particular form of work discipline. But it became clear that the crisis extended to the sum total of relations of production and exchange, and was upsetting the regime of intensive accumulation.

The difficulties encountered by accumulation in Department 1 lead to an upsurge in unemployment and growing job insecurity. At the same time the exhaustion of the possibilities for increased productivity in mechanised assembly line work forced capitalist management to a frontal attack

on the purchasing power of the direct wage, thus undermining an essential pre-condition for the extension of a consumption norm. The production of an environment of private consumption enters into the reproduction value of social labour power. Its costs form part of the nominal reference wage as defined in the broad sense, where it includes both a direct and an indirect component. The exclusive nature of that tie which Fordism establishes between a mechanised labour process and a strictly private consumption of commodities generates a rapid increase in the cost of so-called collective consumption as the consumption norm develops. This phenomenon counteracts a rise in relative surplus value to the point of reversing its developmental trend. Hence such a literal explosion of what are known as social costs of growth from the mid 1960s onwards. While it was the direct wage costs per overall unit of value added that has increased least since the 2nd World War, the unit cost of indirect wages has increased far more than anything else, with a real explosion in its growth since 1965. The overall aggregate of wages plus social benefits was only stable in the period of very swift expansion from 1960-65 and began to increase rapidly after that date.

It is not surprising, therefore, that the crisis in Fordist work organisation should at the same time have been the occasion for a general drive of the capitalist class to curtail social expenditures, and have ushered in a period of retrenchment in public finances.

The only avenue of escape from the crisis is one in accordance with the law of accumulation that is the kernel of the capitalist mode of production. For this to be possible, the system would have to engender new conditions of production and exchange capable of accomplishing a lasting and massive rise in the rate of surplus-value. This could only be done if the labour process was revolutionised in such a way as to render it capable of radically transforming the conditions of production of the means of collective consumption. This Fordism cannot do. Such a process may be under way with the emergence of neo-Fordism, which as we have outlined, involves a major revolutionisation of the labour process that tends to replace the mechanical principle of fragmented labour disciplined by hierarchical direction with the informational principle of work organised in semi-autonomous groups, disciplined by the direct constraint of the production process itself, all based on the further extension of automation and computerisation.

Pilot studies conducted in hospitals (various bio-technologies), in education (various information technologies), in pollution control and health safety and in transport, have confirmed that this is a principle of work organisation capable of offering a considerable saving of labour-power in the production of means of collective consumption while also transforming their mode of use in a far-reaching way. It is clear that such developments as computerised diagnostic services can cheapen some skilled medical services, that new bio-technologies can cheapen the cost of drugs, that sophisticated interactive teaching machines can increase teachers' productivity; but these labour process changes do not exhaust the potential of new technologies. New service commodities are also possible. Whereas it might be futuristic to see spare part surgery and in vitro fertilisation as major new service use values establishing completely new consumption patterns, this might not be the case with, say, education use values.

One might see educational services going the same way as public transport did in mid-century US, following "self-service" paths. Private manufacturing capital, utilising the potential of information and communication technology can offer commodities for sale and substitute part of some currently offered public service - e.g. home computer education kits etc. Such a strategy requires a consideration of potential state initiatives in establishing such things as effective regulation of satellite communications, accustoming children to computer systems etc. In short, the restructuring of social welfare service consumption may involve the privatising of collective consumption, with the by-passing of state provided services by establishing new consumer patterns. This tendency would seem to be well under way in the ideology and practice of third-term Thatcherism.

The present article has not attempted to draw any political conclusions from the material to hand, rather it has outlined certain developments and problems in order to stimulate a discussion on the question of the new technologies and their impact on the labour process, the composition of the working class and the problem of capital accumulation. However, it is essential that the IBRP and the revolutionary milieu in general address themselves to the questions raised in order to draw the necessary political conclusions for communist work and intervention in the class struggle.

GRAMSCI:

MYTH AND REALITY

PART II : THE CONCEPT OF HEGEMONY

Introduction

We are publishing here the second part of our text on the political ideas of Antonio Gramsci. Whilst the first part showed how Gramsci's idealism developed from the liberal mentors of his formative years, this part will deal with the transformation of Gramsci into a totem for the counter-revolution.

Our historical lineage lies in those communists who founded the Communist Party of Italy in 1919 and were later expelled from it for refusing to accept the united front with the social democrats which had so recently taken the side of the bourgeoisie both in the First World War and in the suppression of workers risings at the end of the war. Forced into exile by both the fascist and Stalinist persecutions they reconstituted themselves as the first, the Left Fraction of the Communist Party of Italy (known as "the Italian Left") and later the Internationalist Communist Left.

It is from their writings that we have translated the obituary for Gramsci which follows our text. It originally appeared in PROMETEO, bi-monthly organ of the Left Fraction of the Communist Party of Italy. The Left, originally led by Bordiga, had gradually been supplanted by the centrist leadership around Gramsci acting on behalf of the now decaying Comintern.

In the mid 1920s the Comintern had become simply

an arm of Russian foreign policy, dedicated to defending the Soviet Union rather than extending the world revolution. With Stalin fully in the ascendant even the "centrist" faction around Gramsci was considered too independent and revolutionary. By the time of his death the Communist Party of Italy was under the leadership of the right wing under Togliatti who had already begun the systematic appropriation of Gramsci's name to bolster the radical pretensions of the Italian Communist Party (the adoption of the more nationalist version of the name was only one sign of the counter-revolutionary nature of what now passed for Italian "communism" under Togliatti).

The obituary is interesting from the historical point of view. It shows that whilst the Left had no quarrel with Gramsci's integrity they were already aware of the seriousness of his political errors and, more remarkably, of the use which the counter-revolution would make of them. However, then as now, the voice of those who uphold the revolutionary traditions of the October revolution has been all but drowned in the orgy of Gramsciana with which the left wing of the bourgeoisie throughout Europe have greeted the fiftieth anniversary of his death. It is to add to the genuinely proletarian framework set out by the Communist Left in the Thirties that these articles have been written.

EDITORIAL BOARD, COMMUNIST REVIEW

Although largely unavailable to non-Italian readers before the 1960s, the work of Antonio Gramsci has had a global impact. There is now almost universal agreement amongst the 'left' that he ranks as one of the most innovative and important Marxist thinkers of this century. The following article is the second of a two-part examination of the life and work of Gramsci, the lustre of whose halo serves to light up a path towards the continuing mystification of the proletariat. In an attempt to devaporise some of the myths surrounding his place on the leftist pantheon, part one dealt basically with his political career. Part two is a brief look at the postwar function of Gramscism and a study of his key theoretical idea: hegemony.

What gives Gramsci his recognition as a theorist was the publication of his Prison Notebooks (Quaderni del Carcere), written mostly in the early 1930s, smuggled to Russia upon his death, and returned to Italy at the end of the Second World War. In Italy, Gramsci's postwar popularity was self-consciously generated and nurtured by the Communist Party (PCI), which elevated him to the level of a patron saint. Since hegemony is the analytical scheme around which the component parts of Gramsci's prison writings are built, this article focuses on the concept in order to criticise his leading ideas and theories.

FROM GRAMSCI TO GRAMSCIANA - THE VARYING USES OF AN IDEOLOGY

No sooner had Gramsci died, in 1937, than Togliatti was to present him as Italy's 'first Bolshevik'; a man of peasant and working class origins - in reality they were petty-bourgeois; a Stalinist since 1925-26 - he disagreed firmly with the Third Period 'New Turn'; a staunch Leninist revolutionary from the earliest possible date - his 'Leninism' was always of a crypto-counclist hue; as a 'martyr of fascism' - at least there is some credence in this. Even before the Prison Notebooks were published, Togliatti claimed that they were attempts to develop the Popular Front line of the Communist International (CI) in 1937. Clearly Gramsci was to be incapable of heresy. In a long and mawkish appreciation written by Togliatti, both his and the PCI's future depending on close ties with Moscow, particular stress was laid on the affinity of Gramsci's thinking with none other than J. Stalin.

Towards the end of World War Two, the PCI embarked on a course which, despite occasional

waverings and inconsistencies, has been their broad orientation up until the present day. Initially reflecting Stalin's desire to mollify the Allies, by non-revolutionary policies in so-called 'liberated areas', the new party programme eschewed working class militancy or revolution in favour of 'national solidarity' and 'renewal'. The ostensible goal was to create a capitalist democracy of a 'new type' which would overcome the limits of pre-fascist democracy and allow for 'socialist transformations'. In practice this meant a two-fold strategy designed 1) to minimise class conflict by appealing to 'national interests' and 'proletarian responsibility', 2) to gain the allegiance of the 'productive sectors' of the economy - peasants and ceti medi - against the common monopolistic enemy.

Togliatti's aim was to establish the PCI as a 'legitimate actor' within the Italian political system. In order to maintain a doctrinal continuity, the postwar departure was justified, of course, by reference to the old gods, and particularly to Antonio Gramsci. After his martyrdom, Gramsci became the tutelary deity of the PCI, designated as its original theoretician, as 'founding father' of the Popular Front type strategy, as the man who laid the groundwork for the Via Italiana in his Prison Notebooks. Certain themes have been constantly reiterated in the PCI's numerous publications. Official doctrine has it that Gramsci understood that the revolution in the West would be a long march requiring 'intermediate aims and strategies', the need for 'class alliances and short term compromises' for the construction of a 'national consensus', all around of course 'socialist values and principles'.

The tactic of ransacking Gramsci's utterances for ex post facto legitimization of party policy was inaugurated by Togliatti at the end of the Second World War. In a much quoted speech in Naples on 29 April 1945, he presented his former colleague and comrade, as a prophet of national unity in the task of resistance and democratic renovation:

"The central idea of the political action of Gramsci was the idea of unity: unity of the working class parties in the struggle for the defence of democratic institutions ...unity of the working class parties with the democratic forces that were beginning to organise...unity of the socialist working masses with the Catholic working masses..."

And so continues the great hymn to unity - everyone in the one big 'democratic bed', snoozing away merrily.

Togliatti, who had assumed the mantle of a 'St Paul', by 1951, was continuing to identify Gramsci with the PCI's 'Leninist' heritage. He was to tell his interviewers, who were preparing Conversazione con Togliatti, that the sole sure guide Gramsci and his followers had in 1919-20, on how to make the revolution in Italy, were the teachings of Lenin and the Bolsheviks. He claimed that Gramsci made a serious study of these during the First World War, but with the caveat that "matters were neither clear nor simple" in those early days. In 1958, at the first conference of Gramscian studies, Togliatti was to state the official orthodoxy on the relation between Gramsci and Lenin. His contention was that between 1919-22, Gramsci read: What is to be Done?; One Step Forwards, Two Steps Back; Two Tactics of Social Democracy; Imperialism, the Highest Stage of Capitalism; State and Revolution; The Proletarian Revolution and the Renegade Kautsky; The Development of Capitalism in Russia; and Materialism and Empirio-Criticism; furthermore that he accepted the theory in them, whilst rejecting his 'Croceanism' and in particular that he accepted the Leninist conception of the party. The myth of the latter allegation we hope to have dispensed with by demonstrating that Gramsci's 'Leninism' was a creation of his own political imagination viz. a 'sovietist' Leninism. What is more, recent scholarly investigation (1) points up the opportunistic falsity of Togliatti's claims: Gramsci up to 1921, could only have read a very few of the books on this list and certainly his subsequent career is testimony to his having taken on board little of Lenin's theory, or the method of his approach to political or tactical questions.

During the 1950s, there was a great deal of controversy in Italy about whether the 'essential' Gramsci favoured the party or the councils as the chief form of proletarian organisation. Needless to say (in the absence of any councils), the PCI and its theoreticians were to stress the role of the party in Gramsci's thought, and minimised the councilism. The latter, however, was emphasised by those intellectuals who were to challenge the PCI's centralism and to advocate forms of 'workers' self-government', a position particularly popular with many dissidents who left the party in the wake of the Hungarian Revolt of 1956. It was at

this time that a significant change in the interpretation of Gramsci's ideas was introduced with a decline in emphasis on his affinities with Stalin after the latter had been condemned at the XXth Congress of the CPSU. Later in 1969, the Manifesto group of left intellectuals, who were expelled in that year, made common cause in the resurrection of Antonio Gramsci, when they proclaimed that what 'was alive' in Gramsci was his anti-Jacobinism of 1919-20, his focus on the role of councils in the raising of 'mass consciousness', and not the 'Stalinist' and 'elitist' views that surfaced later.

As the PCI embarked on the Eurocommunist road and towards its 'historic compromise' with the forces of Catholicism and liberal capitalism, the Soviet connection was to become something of a liability. This factor, along with Togliatti's death, made necessary and possible, a more 'democratic' Gramsci. Hegemony was thus to become "the capacity and will for democratic direction and national unity." (Below we shall take a closer look at how Gramsci's ideas provide a suitable theoretic rationale for reformist, i.e., state capitalist policies.)

Always alert and needful of appeasing the left of the party, PCI ideologues in their reaffirmation of the 'Leninist' and 'revolutionary' bearings of the party, have, when need be made use of Gramscism. For a party whose drive towards 'respectability' and frantic, almost pathetic search for allies, has of course, created a degree of disenchantment within its proletarian constituency, such a radical smoke screen that Gramscism can provide, is not an inconsiderable ideological prop. However, such is the protean and malleable nature of Gramsci's thought, that various permutations of his beliefs are common currency within disparate strands of Italian leftism, e.g., among 1) the 'democratic socialists' who made it fashionable to read Gramsci in a 'European' or 'Western' key, as a partisan of 'humanism' and as a liberalist rebuttal to Stalinism; 2) the 'extra-parliamentary left', i.e., the autonomists, who want to condemn his 'revisionism' and who use certain of his arguments for doing so; 3) the PCI activists and intellectuals, of course who seek to claim his posthumous support for their official policy. Gramsci it is contended, came to elaborate a democratic strategy, far removed from the model constituted by the October Revolution, suitable only for semi-developed countries. In the developed West, the struggle for socialism should

be pursued on the level of a search for alliances, not on the level of a violent confrontation for state power. In the PCI, which, it is said, has become the 'natural party of the Italian intelligentsia', it is only fitting after all, that it should have discovered in Antonio Gramsci, 'a true intellectual hero of our times'.

HEGEMONY

"The whole conception of an Italian Road to Socialism would be inexplicable if the principle of hegemony was not the starting point... . The point of a complete strategy and tactic of alliances would be lost... . The relation between reform and revolution would be lost... . The conception of the new party, in short of a party which does not limit itself to negative opposition..."

Thus the notion of Gramsci was used by a neo-Stalinist luminary, Luciano Gruppi (2), in order to legitimate the policy of a party which had definitively abandoned the interests of the working class to establish itself as the principal and most coherent force of Italian state capital. Despite disagreements and strenuous remonstrances based on their 'philologico-political' 'readings' of Gramsci, from all those to the left of neo-Stalinism, from all those so eager to make out of Marxism their latest intellectual church, we find ourselves in complete agreement with Gruppi. In order to explain this unhappy coincidence, a brief historical detour is necessary.

The term hegemony was one of the central political slogans of the Russian Social Democratic movement from the late 1890s to 1917. Initially forged to theorise the role of the working class in a bourgeois revolution, it was rendered inoperative by the October Revolution and subsequently fell into relative disuse in the Bolshevik Party. Trotsky, who began to see much earlier than Lenin what would be the necessary revolutionary strategy of the proletariat in countries with pre-bourgeois political superstructures, defined the original usage of the term in his History of the Russian Revolution:

"The popular and officially accepted idea of the hegemony of the proletariat in the democratic revolution...did not at all signify that the proletariat would use a peasant uprising in order with its support to place upon the order of the day its own historic

tasks - that is the direct transition to a socialist society. The hegemony of the proletariat in the democratic revolution was sharply distinguished from the dictatorship of the proletariat and polemically contrasted against it. The Bolshevik Party had been educated in these ideas ever since 1905." (3)

The 'polemical contrast' was to re-emerge, however, in a later epoch, under Gramsci, having undergone a significant inversion to suit an altered context.

Ceasing to have much currency, the term survived in the external documents of the CI. At the first two world congresses a series of theses were adopted which internationalised the Russian usage: the proletariat's duty was to exercise hegemony over those other exploited groups that were its 'class allies' against capitalism; within its own soviet institutions "its hegemony will permit the progressive elevation of the poor peasantry and semi-proletariat." At the IVth Congress the term was to appear designating the domination of the bourgeoisie over the proletariat.

The origin of hegemony in Gramsci's thinking derives from the councilist experience of Ordine Nuovo (4), although it only appears in its full articulation as a logical development of the 1926 Lyons Theses, in his calls for the PCI to become a party of the "broadest Italian masses", in the context of "an alliance between the masses of workers and peasants". Once all the nuance and sophistry is distilled, the political nub of Gramsci's message is clear: the proletariat should forfeit its independence and programme for expedient and opportunist tactical support. Reflecting the experience of the retreat of the Russian proletariat in the form of the NEP (5), great emphasis is laid on the need for 'concessions' and 'sacrifices' by the proletariat to its so-called allies, in order to win hegemony over them:

"Undoubtedly the fact of hegemony presupposes that account be taken of the interests and tendencies of the groups over which hegemony is to be exercised - in other words that the leading group should make sacrifices of an economic-corporate kind." (6)

Much stress was laid on cultural ascendancy, the central characteristic of a hegemonic mode of

domination over 'kindred and allied groups' being not a political but instead an 'intellectual and moral leadership'.

In a further development in the same theoretical direction, Gramsci went on to expressly counterpose the necessary use of violence against the common enemy and the resort to compromise within these classes by the proletariat. In doing so, in effect he was re-stating the traditional opposition between the dictatorship of the proletariat over the bourgeoisie and the hegemony of the proletariat over the peasantry, a distinction whose political import was recalled by Trotsky.

"If the union of two forces is necessary in order to defeat a third, a recourse to arms and coercion can be nothing more than a methodological hypothesis; the only concrete possibility is compromise. Force can be employed against one's enemies, but not against a part of one's own side, which one wishes rapidly to assimilate..." (7)

The 'union' of which Gramsci here speaks takes on a more pronounced significance than in Bolshevik texts: the mechanical Russian image of the 'smytchka' or 'yoking' of the working class and peasantry, popularised during the NEP, becomes the 'organic fusion' of a 'new historic bloc'. Thus Gramsci refers to the necessity to 'absorb' allied social forces in order to create "a new, homogeneous political-economic historic bloc, without internal contradictions." (8)

Gramsci now began to employ the concept of hegemony for analyses of structures of power in the West and the passage from one usage to another was mediated by a set of generic maxims in principle applicable to either bourgeois or proletarian power. The result was a formal sequence of propositions about the nature of power in history. Hegemony had ceased to have any class limits:

"What we can do...is to fix two major superstructural 'levels': the one that can be called 'civil society' (9), that is the ensemble of organisations commonly called private, and that of 'political society' or the 'State'. These two levels on the one hand correspond to the function of 'hegemony' which the dominant group exercises throughout society..." (10)

The preponderance of 'civil society' over the state in the West - compared to a 'gelatinous' and 'primordial' civil society and a preponderant state in the East, i.e., Russia - could then be equated with the predominance of 'hegemony' over 'coercion' as the fundamental mode of bourgeois power in advanced capitalism. Since hegemony pertains to civil society and civil society prevails over the state, it is the cultural ascendancy of the ruling class, therefore, that ensures the stability of the capitalist order.

This equation corresponds to a common sense conception of the nature of the bourgeois democratic state, a view widely diffused since the Second World War among liberal Stalinists and social democratic leftists, that the state in the West is not a violent machine of class repression as it was in Tsarist Russia and that the masses have access to it through regular democratic elections, which formally permit the possibility of a 'socialist government'. The nexus of 'civil society' is held to maintain capitalist hegemony within a political democracy, whose state institutions do not directly debar or repress the masses. Since the system is said to be maintained by 'consent' and not by coercion, the central task is the ideological conversion of the working class and not combat with the armed state of the possessing class.

The truth, however, is quite the reverse. The general form of the Western bourgeois representative state, 'democracy', is itself a central lynchpin of capital's social order, a major focus of mystification for the working class, especially in countries like Britain where it has developed the aura and mystique of a fetish. Capitalist social relations of production allocate men and women into different social classes which are defined by their differing access to the means of production. These class divisions are the underlying reality of the wage contract, which gives rise to the appearance that the worker disposes of his labour-power according to his own free will. In reality the worker is forced to sell his labour-power. Thus the transition from the sphere of circulation, that very "Eden of the innate rights of man (where) alone rule Freedom, Equality, Property and Bentham" (11), to that of production which reveals "that the time for which he is free to sell his labour-power is the time for which he is forced to sell it." (12) This transition is one from illusion to reality: "...in essence it always remains forced labour - no matter how much it may seem to result from free contractual

agreement." (13) Marx makes clear that from the semblances of the sphere of circulation there arises a whole ideological superstructure:

"This phenomenal form (i.e. wage form) which makes the actual relation invisible, and, indeed, shows the direct opposite of that relation, forms the basis of all the juridical notions of both labourer and capitalist, of all the mystifications of the capitalist mode of production, of all its illusions as to liberty, of all the apologetic shifts of the vulgar economists." (14)

One of the hallmarks of the capitalist mode of production is the formal separation of the political and economic orders. (In failing to make any serious attempt at infrastructural analysis, the whole tendency of Gramsci's thinking with its conceptual centrality of hegemony can be seen as a corollary of this formal separation.) The bourgeois state, by definition, 'represents' the totality of the population, abstracted from real division into social classes, as individual and 'equal' citizens. In other words it presents to men their unequal positions in civil society as if they were equal in the state. This separation is constantly represented to the masses as the very embodiment of political liberty, 'democracy' as the terminal point of history. The parliamentary state thus constitutes the formal framework of all the other ideological mechanisms of the ruling class; it functions as the overarching parameter of political possibility, as the supreme and hallowed, unquestionable con.

The workings of bourgeois democracy appear to justify the idea that advanced capitalism rests on the 'consent' of the working class. An acceptance of this conception is the cornerstone of the 'parliamentary road to socialism', along which progress can be made in gradual and 'sensible' fashion till an arithmetic majority is reached in parliament, whereupon the rule of parliament makes the enactment of 'socialism' - i.e. the latest variant of state capitalism - painless. The idea that the power of capital essentially or exclusively takes the form of cultural hegemony is a classical tenet of reformism. Gramsci's primary formulae were misfounded: it is impossible to partition the ideological functions of bourgeois class power between 'civil society' and the state. The parliamentary state is itself the political hub of the system around which revolve

the complementary ideological-cultural complexes of social control - radio, television, cinema, newspapers, churches, sport, education, political parties, etc. Statements such as "a social group can and must be ruling even before winning government power" and hearking back to his councilist days by insisting on the need for an hegemonous "autonomous base" was fertile theoretical soil from which later grew the openly counter-revolutionary platform of the PCI. Once bourgeois power is attributed to cultural hegemony, the aquisition of this hegemony by the working class effectively obviates the need to confront the enemy state in a violent struggle for the establishment of a new power.

The working class under capitalism is inherently incapable of becoming the culturally dominant class, because it is expropriated by virtue of its class position and all the physical and socially oppressive burdens this entails, from some of the essential means of cultural production - education, tradition, leisure, etc. In contrast to the bourgeoisie of the Enlightenment, which was able to generate its own superior culture within the framework of the ancien régime, this possibility is excluded from the proletariat. Even after the proletarian seizure of power and in the initial phases of the dictatorship, the bourgeoisie will remain the culturally dominant class by virtue of the tradition and habits it has been able to develop over centuries. According to Gramsci, the working class in the absence of sufficient cultural superiority, would initially have to rely on excess political command, producing 'statolatry', an abstraction whose real concrete referent, one assumes, could only be the ravages of Russian state capitalist terror in the 1930s i.e. Stalinism.

C.W.O.

NOTES AND REFERENCES

- (1) See, e.g., Alastair Davidson's "The Varying Seasons of Gramscian Studies", in Political Studies, v.XX, #4, pp.448-461.
- (2) Il Concetto di Egeonia in Gramsci (Riuniti, 1967).
- (3) V.1, pp.296-7.
- (4) During the years 1919-20, the notion of hegemony underlay Ordine Nuovo's view of the need for the creation of a new state. The task of hegemony was to organise and unify the working class so that it would acquire from its own experience "a responsible consciousness of the

obligations that fall to classes achieving state power." (Selections from Political Writings, 1910-1920, p.66) The terms cohesion, discipline, unity, organisation and homogeneity recur perpetually in all of Gramsci's articles in this period.

(5) The New Economic Policy, adopted by the Bolsheviks in 1921, was a policy which benefitted the petty bourgeoisie at the expense of the working class. The Bolsheviks were quite clear that this was a strategic retreat. Lenin described it as a "step backwards", a form of "state capitalism" which he hoped would be temporary, until world revolution allowed the process of socialist transformation to re-commence in Russia.

(6) Selections from the Prison Notebooks, p.161.

(7) Ibid., p.168.

(8) Ibid., p.168.

(9) Hegemony for Gramsci emanated primarily from 'civil society', but the latter, as in orthodox Marxist thinking, does not belong to the structure but to the superstructure and here Gramsci makes another 'innovation' as the ideological moment is understood as having prevalence over the institutional, so much that he talks of the "economy making 'incursions' into civil society". But for Marx: "The anatomy of civil society is to be sought in political economy" - Critique of Political Economy - and in the German Ideology: "Already we have seen how this civil society is the true source and theatre of all history... Civil society embraces the whole material intercourse of individuals within a definite stage of development of the productive forces..." Gramsci's conception of civil society can be traced directly to Hegel who influenced Gramsci's Italian antecedents, Labriola, Croce and Gentile. For more on this see the PCInt's Prometeo articles "Premarxismo filosofico di Gramsci" (August 1949) and "Gramsci: marxismo o 'filosofia della prassi'?" (1st semester 1978).

(10) Op.cit., Prison Notebooks, p.12.

(11) Capital v.1, p.176.

(12) Ibid., p.302.

(13) Ibid., v.3, p.798.

(14) Ibid., v.1, p.540.

OBITUARY ON GRAMSCI

FROM 'PROMETEO' — JOURNAL OF THE LEFT

FRACTION OF THE COMMUNIST PARTY OF ITALY

1937

"Now that he is dead, assassinated by Fascism, it is Gramsci's turn to suffer the fate of many before him. He is being murdered again through the words of his own apostles. The centrist press and the papers of the Popular Front have thrown themselves onto his corpse and are hoping to change the nature of his thought and work, by distorting it for their own counter-revolutionary ends.

We have already expressed our judgment on Gramsci, and did so years ago when the centrists first staged a campaign for the release of the "head" of the Italian proletariat. This campaign dragged on until it was clear that Gramsci had been delivered both from prison and from the complete ignominy reached by the degeneration of the current whose greatest inspiration he had been. A captive of the class enemy, he had slowly died in a clinic to which he had been transported when his days were already numbered, after 11 years of unheard-of mental and physical torture. We have no wish to change our judgment. We maintained then, as we do now, that the only proletarian way to commemorate the departed is to denounce his errors and mistakes, the negative and wrong parts of his

work, so that these do not obscure the clear-sighted and durable part of his activity, which becomes integral to the proletariat's inheritance in tomorrow's struggle for emancipation. And there is no shortage of faults, misapprehensions and weaknesses in Gramsci's work. This is because of his social origin and the epoch in which he joined the Italian workers' movement.

An intellectual - he studied philosophy at Turin - he suffered the influence of that idealist philosophy which led his spiritual brother and fellow victim of Fascism, Gobetti, towards the utopia of a rejuvenated and "revolutionary" liberalism. Politically, he suffered the primordial influence, as did many others, of Salvemini's revisionism which saw socialism overcoming its crisis in the solution of the "Southern problem". And Gramsci, a Sardinian by birth, was a supporter of federalism which he fought for even within the ranks of the party.

As part of the generation which came to the movement through the war (Gramsci was at first an interventionist, as Tasca reminds us, who was shaken by the October revolution without understanding its full significance) he sought to

link himself more closely with the working class, which he found easy in Turin, the true "proletarian capital" of Italy.

But he was never leader of the Italian proletariat, nor did he know how to become such. His physical condition also affected his will and decisiveness, which are indispensable for a leader. And, in fact, from 1921 to 1923 he submitted to the influence of Bordiga's "personality" and from 1923 to 1926 to that of the Comintern's leaders, "following Lenin".

A "leader" for us is one who expresses the aspirations and interests of the working class in a given historical phase. Bordiga was the Italian proletariat's "leader" after the war precisely because he understood, first of all, how to affirm the need for a class party to lead the proletariat to victory.

For communists, the word "leader" means a role played in a given stage of the proletariat's struggle for its emancipation, not a qualification for life. And even Bordiga was not able to be the "leader" of the Italian revolution. But this was in 1919-23 and Gramsci, even later, in 1924 at the time of the Matteotti crisis, was unable to take up anything but a position which did not correspond to the needs of the hour, namely his "Anti-parliament".

Despite being in Turin, objectively the most favourable place - where we, the "abstentionists" held a majority - Gramsci's understanding of the need for the Party did not come easily, and this did not happen until the middle of 1920, while Bordiga understood this in early 1919 although he was in Naples, objectively the least favourable place. This delay was fatal to the revolution in Italy.

Once the PCd'I was founded in 1921, Gramsci was on Bordiga's side and did not associate himself with the mostly hidden opposition of Bombacci or Tasca.

It was only later, at the end of 1923 and the beginning of 1924, in Moscow, that Gramsci became the "creator" of Italian centrism which formed a bloc with Tasca's right (which was also born in Moscow) and gave the Italian Party, whilst its founders were in jail, the orientation which made it one of the pawns of the active counter-revolution.

And the "habitually indecisive" Togliatti (as Gramsci himself characterised him) this time

decided to become the "leader" of the new traitors after the Gramscis, the Terracinis and the Scoccimarros had fallen into the clutches of Fascism.

And this we can explain. It was not without reason that Grieco, "deputy leader", wrote in "Stato Operaio" concerning Togliatti that "his aversion to Bordiga and Bordigism had always been profound, I'd say almost physical". This aversion to "Bordigism" is, in fact, hatred of the proletariat's class struggle.

We firmly maintain that Gramsci could perhaps have rejoined the proletarian revolution after a complete recognition of his past errors, a necessary step in proletarian rehabilitation. Serrati, for example, had done this after the blows of 1920. Gramsci's letter of January 1924, quoted by Tasca, does not contain a confession of the errors committed by "Ordine Nuovo" in 1919-20 in failing to fight for the immediate creation of the Party. We "abstentionists" however, fought for this from 1919, although this fundamental position is often forgotten when the entirely contingent tactic of electoral abstentionism is being over-stressed.

But weren't there criticisms of the politics of the centralists, when they were initiating their "anti-Trotskyist" campaign, in Gramsci's letter of October 1926 to the Comintern? These were the only criticisms that the Gramscis, the Terracinis and the Scoccimarros - the original Italian centrists - were to make while it fell to their epigones - the Togliattis, the Griecos and the Di Vittorio - to prostitute themselves to Stalin, the helmsman of betrayal.

In October, Gramsci was arrested, and the year after he was condemned to 20 years, The martyrdom had begun.

To conclude, serious as Gramsci's errors were, he has redeemed himself and in plenty through his slow 11-year martyrdom. And Tasca, who, in the columns of "Giustizia e Libertà" and "Nuovo Avanti!" has tried to exploit the deceased to defend his own inveterate opportunism could, since he possesses a copy, publish Gramsci's letter in which, just after Livorno, he rejected Moscow's suggestion of treacherously attempting to eliminate Bordiga from the leadership of the Party which he had founded, saying that he would not hear of such a manoeuvre

This would be worthy commemoration of Gramsci.

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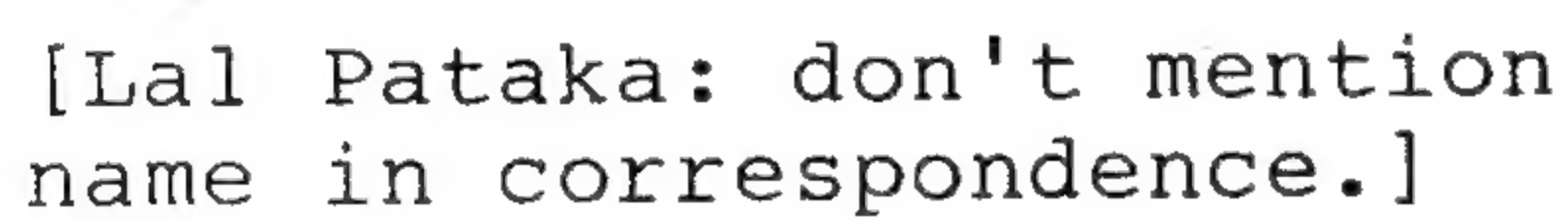
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- حزب کمونیست انترناسیونال است - ۲۱
- حاکمان کارگران کمونیست - ۵۱
- بهیوی انترناسیونال برای حزب انقلابی - ۵۱
- الحاقیه
- الحاقیه بهیوی انترناسیونال برای حزب انقلابی - ۱۰
- نامه بهیوی انترناسیونال است - ۲

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بوروی انترناسیونال برای حزب انقلابی

9229 aug 13

Internationalist Notes #2 is in preparation

